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BUDGET ESTIMATES

FOR THE

UNITED STATES

DEPARTMENT OF AGRICULTURE

FOR THE FISCAL YEAR ENDING

JUNE 30, 1966



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CURRENT SERIAL RECORDS

A SEPARATE FROM THE BUDGET OF
THE UNITED STATES GOVERNMENT
1966

BUDGET ESTIMATES
FOR THE
UNITED STATES
DEPARTMENT OF AGRICULTURE
FOR THE FISCAL YEAR ENDING
JUNE 30, 1966

A Separate from the Budget of the United States Government
1966



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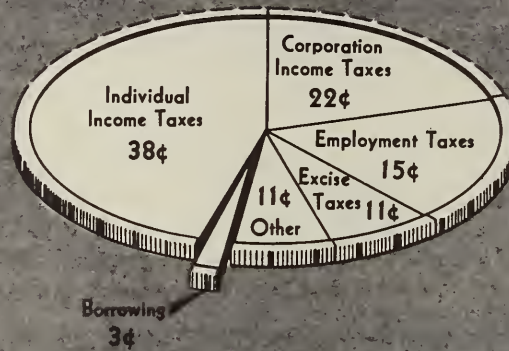
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PART 2

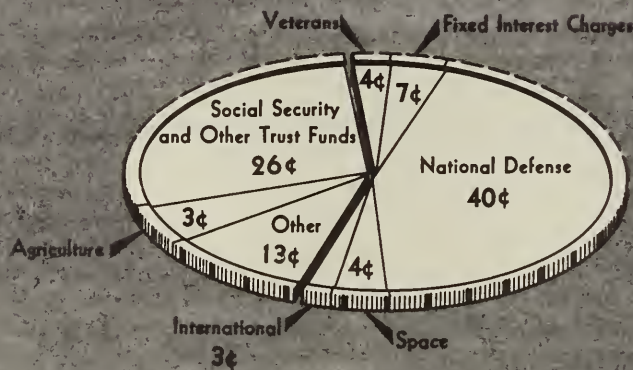
SUMMARY TABLES

THE GOVERNMENT DOLLAR

Where it comes from . . .



Where it goes . . .



Fiscal Year 1966 Estimate

Includes Trust Funds

Table 1. BUDGET RÉSUMÉ (in billions of dollars)

ADMINISTRATIVE BUDGET AND TRUST FUND RECEIPTS AND EXPENDITURES

Description	ADMINISTRATIVE BUDGET FUNDS			TRUST FUNDS		
	1964 actual	1965 estimate	1966 estimate	1964 actual	1965 estimate	1966 estimate
RECEIPTS						
Individual income taxes.....	48.7	47.0	48.2			
Corporation income taxes.....	23.5	25.6	27.6			
Employment taxes.....				16.8	16.7	18.7
Excise taxes.....	10.2	10.7	9.8	3.5	3.6	4.0
Unemployment tax deposits by States.....				3.0	3.0	2.9
Other receipts.....	7.7	8.7	9.4	7.5	7.8	8.6
Interfund transactions.....	-.7	-.8	-.6	-.5	-.6	-.6
Total receipts.....	89.5	91.2	94.4	30.3	30.5	33.6
EXPENDITURES						
National defense.....	54.2	52.2	51.6	.5	.8	1.0
International affairs and finance ¹	3.7	4.0	4.0	.1	-.1	.3
Of which Food for Peace.....	(1.7)	(1.7)	(1.7)			
Space research and technology.....	4.2	4.9	5.1	*	*	*
Agriculture and agricultural resources (not including Food for Peace) ¹	5.6	4.5	3.9	.5	.6	.5
Natural resources.....	2.5	2.7	2.7	.1	.1	.2
Commerce and transportation.....	3.0	3.4	2.8	3.5	3.9	3.7
Housing and community development.....	-.1	-.3	*	1.9	.2	.8
Health, labor, and welfare.....	5.5	6.2	8.3	22.7	23.4	26.5
Education.....	1.3	1.5	2.7	*	*	*
Veterans benefits and services.....	5.5	5.4	4.6	.7	.6	.5
Interest.....	10.8	11.3	11.6			
General government.....	2.3	2.4	2.5	*	*	*
Deposit funds (net).....				-.6	*	*
Allowance for Appalachia.....		*	.1			
Allowance for contingencies.....		.1	.4			
Interfund transactions.....	-.7	-.8	-.6	-.5	-.6	-.6
Total expenditures.....	97.7	97.5	99.7	28.9	29.0	32.9
Excess of receipts (+) or expenditures (-).....	-8.2	-6.3	-5.3	+1.4	+1.5	+7

CONSOLIDATED SUMMARY

Description	1964 actual	1965 estimate	1966 estimate
Cash receipts:			
Administrative budget receipts.....	89.5	91.2	94.4
Trust fund receipts.....	30.3	30.5	33.6
Intragovernmental transactions.....	-4.3	-4.3	-4.5
Total receipts from the public.....	115.5	117.4	123.5
Cash expenditures:			
Administrative budget expenditures.....	97.7	97.5	99.7
Trust expenditures.....	28.9	29.0	32.9
Intragovernmental and other noncash transactions.....	-6.2	-5.1	-5.2
Total payments to the public.....	120.3	121.4	127.4
Excess of receipts from (+) or payments to (-) the public.....	-4.8	-4.0	-3.9

Note.—For explanation of administrative budget funds and trust funds, see page 154. For details on receipts, see table 13 on pages 56 to 61. For details on expenditures, see table 14 on pages 138 to 151; for further detail, by agency and account, see pages 158 to 353.

* Less than \$50 million.

¹ See general notes, page 4, paragraph 4.

Table 2. RECEIPTS FROM AND PAYMENTS TO THE PUBLIC
(CONSOLIDATED CASH BASIS) (in billions of dollars)

Description	1964 actual	1965 estimate	1966 estimate
RECEIPTS FROM THE PUBLIC			
Individual income taxes.....	48.7	47.0	48.2
Corporation income taxes.....	23.5	25.6	27.6
Employment taxes.....	16.8	16.7	18.7
Excise taxes.....	13.7	14.4	13.7
Unemployment tax deposits by States.....	3.0	3.0	2.9
Estate and gift taxes.....	2.4	2.8	3.2
Customs.....	1.3	1.4	1.5
Veterans life insurance premiums.....	.5	.5	.5
Other receipts.....	5.6	6.1	7.1
Total receipts from the public.....	115.5	117.4	123.5
PAYMENTS TO THE PUBLIC			
National defense.....	54.5	52.8	52.5
International affairs and finance ¹	3.5	3.6	4.2
Of which Food for Peace.....	(1.7)	(1.7)	(1.7)
Space research and technology.....	4.2	4.9	5.1
Agriculture and agricultural resources (not including Food for Peace) ¹	5.8	4.6	4.1
Natural resources.....	2.6	2.8	2.9
Commerce and transportation.....	6.5	7.4	6.5
Housing and community development.....	1.7	— .2	.7
Health, labor, and welfare.....	27.3	28.9	34.1
Education.....	1.3	1.5	2.6
Veterans benefits and services.....	6.1	6.0	5.1
Interest.....	8.0	8.5	8.8
General government.....	2.2	2.4	2.4
Deposit funds, net.....	— .6	*	*
Allowance for Appalachia.....		*	.1
Allowance for contingencies.....		.1	.4
Other undistributed adjustments:			
Agency payments for employee retirement.....	—1.0	—1.0	—1.0
Deduction from employees' salaries for retirement.....	—1.0	—1.0	—1.0
Increase (—) or decrease in outstanding checks, etc.....	— .9	.2	*
Total payments to the public.....	120.3	121.4	127.4
Excess of receipts from (+) or payments to (—) the public.....	—4.8	—4.0	—3.9

Note.—This table shows the flow of money between the Government and the public on a cash (collections and checks paid) basis. For fuller explanation, see special analysis A (pages 356 to 365).

*Less than \$50 million.

¹ See general notes, page 4, paragraph 4.

Table 3. NEW OBLIGATIONAL AUTHORITY BY TYPE AND FUNCTION
(in billions of dollars)

Description [*]	ADMINISTRATIVE BUDGET FUNDS			TRUST FUNDS		
	1964 actual	1965 estimate	1966 estimate	1964 actual	1965 estimate	1966 estimate
TYPE						
Authorizations requiring current action by Congress:						
Appropriations ²	87.1	91.7	93.4	0.4	0.4	0.5
Reappropriations.....	*	*				
Authorizations to spend debt receipts.....	.5	.9	*			
Contract authorizations.....	.2	1.9	.1		1.0	
Total authorizations requiring current action by Congress.....	87.9	94.5	93.5	.4	1.4	.5
Authorizations not requiring current action by Congress (permanent):						
Appropriations ²	11.6	12.0	12.3	29.9	29.2	32.7
Authorizations to spend debt receipts.....	.7	.5	.1	.1	.1	.2
Contract authorizations.....	1.0	.3	.5	1.1	1.0	1.1
Total authorizations not requiring current action by Congress (permanent).....	13.2	12.8	12.9	31.2	30.3	34.0
Total new obligational authority.....	101.1	107.3	106.4	31.5	31.8	34.5
FUNCTION						
National defense.....	53.8	52.4	51.1	1.2	1.1	1.1
International affairs and finance ¹	4.5	6.8	5.1	.1	*	.1
Of which Food for Peace.....	(1.7)	(2.4)	(1.7)			
Space research and technology.....	5.1	5.2	5.3	*	*	*
Agriculture and agricultural resources (not including Food for Peace) ¹	5.7	5.0	4.2	*	*	*
Natural resources.....	2.5	2.8	2.9	.2	.2	.2
Commerce and transportation.....	3.0	3.0	3.4	3.7	3.8	4.0
Housing and community development.....	.7	2.1	.8	.4	.5	.6
Health, labor, and welfare.....	5.7	7.4	9.0	25.2	25.4	27.7
Education.....	1.5	2.5	4.1	*	*	*
Veterans benefits and services.....	5.6	5.8	5.7	.7	.7	.7
Interest.....	10.8	11.3	11.6			
General government.....	2.3	2.5	2.5	*	*	*
Allowance for Appalachia.....		.4				
Allowance for contingencies.....		.1	.6			
Total new obligational authority.....	101.1	107.3	106.4	31.5	31.8	34.5

Note.—New obligational authority is the amount becoming available by act of Congress for the incurring of obligations which will result in expenditures. The various types of new obligational authority are explained on pages 154 and 155. For detailed information on new obligational authority by agency and account see pages 158 to 353.

*Less than \$50 million.

¹ See general notes, page 4, paragraph 4.

² Excludes appropriations to liquidate contract authorizations:

Administrative budget funds, 1964, \$0.8 billion; 1965, \$1.2 billion; 1966, \$1.1 billion.
Trust funds, 1964, \$4.0 billion; 1965, \$4.6 billion; 1966, \$4.9 billion.

Table 4. NEW OBLIGATIONAL AUTHORITY BY AGENCY (in millions of dollars)

Description	1964 enacted	1965 estimate			1966 estimate		
		Enacted	Supple- mental needed	Total	Trans- mitted herein	Later trans- mittal	Total
ADMINISTRATIVE BUDGET FUNDS							
Legislative Branch.....	156	160	12	172	225	-----	225
The Judiciary.....	67	70	7	76	90	-----	90
Executive Office of the President.....	25	25	1	26	29	-----	29
Funds appropriated to the President.....	3,329	4,432	1,287	5,719	5,343	250	5,593
Department of Agriculture.....	8,052	6,262	1,793	8,055	6,936	-313	6,622
Department of Commerce.....	779	736	13	750	679	420	1,099
Department of Defense—Military.....	49,922	48,433	230	48,663	47,395	-----	47,395
Department of Defense—Civil.....	1,150	1,285	6	1,291	1,350	30	1,380
Department of Health, Education, and Welfare.....	5,697	6,685	414	7,098	7,790	1,990	9,780
Department of the Interior.....	1,190	1,267	37	1,304	1,415	-91	1,324
Department of Justice.....	344	365	17	382	374	-----	374
Department of Labor.....	417	566	125	692	589	140	729
Post Office Department.....	719	552	204	756	765	92	858
Department of State.....	354	389	7	396	407	-----	407
Treasury Department.....	11,957	12,596	25	12,621	12,957	-----	12,957
Atomic Energy Commission.....	2,743	2,625	-----	2,625	2,481	-----	2,481
Federal Aviation Agency.....	813	717	13	730	729	-----	729
General Services Administration.....	631	598	14	611	627	-----	627
Housing and Home Finance Agency.....	858	1,430	966	2,396	562	150	712
National Aeronautics and Space Administration.....	5,100	5,250	-----	5,250	5,260	-----	5,260
Veterans Administration.....	5,576	5,585	164	5,750	5,683	-----	5,683
Other independent agencies.....	1,131	1,180	125	1,305	1,443	-127	1,316
District of Columbia.....	93	76	2	78	83	15	99
Allowance for Appalachia.....	-----	-----	365	365	-----	-----	-----
Allowance for contingencies.....	-----	-----	150	150	-----	650	650
Total administrative budget.....	101,103	101,284	5,978	107,262	103,211	3,205	106,417
TRUST FUNDS							
Department of Commerce.....	3,734	3,865	-----	3,865	3,976	-----	3,976
Department of Health, Education, and Welfare.....	17,256	17,412	-----	17,412	19,086	522	19,608
Department of Labor.....	4,292	4,010	-----	4,010	3,982	-----	3,982
Veterans Administration.....	713	714	-----	714	714	-----	714
Civil Service Commission.....	2,456	2,660	-----	2,660	2,737	-----	2,737
Railroad Retirement Board.....	1,208	1,291	-----	1,291	1,384	4	1,387
Other agencies.....	1,874	1,805	-----	1,805	2,094	13	2,107
Total trust funds.....	31,533	31,757	-----	31,757	33,973	539	34,512

Note.—For explanation of the columnar headings for 1965 and 1966, see pages 156 and 157. For detailed information on new obligational authority by agency and account, see pages 158 to 353.

Table 5. EXPENDITURES BY AGENCY (in millions of dollars)

Description	1964 actual	1965 estimate			1966 estimate		
		Enacted	Supple- mental needed	Total	Trans- mitted herein	Later trans- mittal	Total
ADMINISTRATIVE BUDGET FUNDS							
Legislative branch.....	152	167	12	179	193	*	193
The Judiciary.....	66	70	6	76	88	*	89
Executive Office of the President.....	23	25	1	26	29	*	29
Funds appropriated to the Pres- ident.....	4,119	4,174	258	4,432	4,839	30	4,869
Department of Agriculture.....	7,897	6,975	—117	6,858	6,570	—212	6,357
Department of Commerce.....	686	757	6	764	753	57	810
Department of Defense—Mili- tary.....	49,760	47,875	225	48,100	47,894	6	47,900
Department of Defense—Civil.....	1,153	1,265	4	1,269	1,313	24	1,337
Department of Health, Educa- tion, and Welfare.....	5,498	5,356	414	5,770	6,800	976	7,776
Department of the Interior.....	1,124	1,198	27	1,225	1,288	—114	1,174
Department of Justice.....	328	352	16	367	376	1	377
Department of Labor.....	370	463	32	495	473	91	565
Post Office Department.....	578	521	197	718	690	24	714
Department of State.....	347	382	6	388	414	1	416
Treasury Department.....	11,947	12,527	24	12,551	12,861	1	12,862
Atomic Energy Commission.....	2,765	2,700	-----	2,700	2,530	-----	2,530
Federal Aviation Agency.....	751	769	12	781	749	1	750
General Services Administration.....	592	607	9	616	609	4	612
Housing and Home Finance Agency.....	328	133	43	176	425	29	454
National Aeronautics and Space Administration.....	4,171	4,900	-----	4,900	5,100	-----	5,100
Veterans Administration.....	5,478	5,214	162	5,376	4,798	—149	4,649
Other independent agencies.....	159	350	18	368	467	—354	113
District of Columbia.....	57	74	2	76	94	9	103
Allowance for Appalachia.....	-----	-----	3	3	-----	107	107
Allowance for contingencies.....	-----	-----	100	100	-----	400	400
Subtotal.....	98,348	96,854	1,460	98,314	99,354	933	100,287
Interfund transactions.....	—664	-----	-----	—833	-----	-----	—600
Total administrative budget.....	97,684	-----	-----	97,481	-----	-----	99,687
TRUST FUNDS							
Department of Commerce.....	3,670	3,887	250	4,137	3,913	-----	3,913
Department of Health, Educa- tion, and Welfare.....	16,626	17,485	-----	17,485	18,365	2,033	20,398
Department of Labor.....	3,707	3,336	-----	3,336	3,345	-----	3,345
Veterans Administration.....	659	634	-----	634	507	-----	507
Civil Service Commission.....	1,254	1,372	-----	1,372	1,548	-----	1,548
Railroad Retirement Board.....	1,139	1,185	-----	1,185	1,206	42	1,248
Other agencies.....	2,351	1,476	-----	1,476	2,531	7	2,538
Subtotal.....	29,406	29,374	250	29,624	31,415	2,082	33,497
Interfund transactions.....	—521	-----	-----	—579	-----	-----	—599
Total trust funds.....	28,885	-----	-----	29,045	-----	-----	32,898

Note.—For explanation of the columnar headings for 1965 and 1966, see pages 156 and 157. For detailed information on expenditures by agency and account, see pages 158 to 353.

*Less than one-half million dollars.

Table 6. INVESTMENT, OPERATING, AND OTHER EXPENDITURES
(In millions of dollars)

Description	1964 actual	1965 estimate	1966 estimate
ADMINISTRATIVE BUDGET FUNDS			
Additions to Federal assets:			
Civil:			
Loans.....	2,047	386	318
Investments.....	94	347	98
Public works—sites and direct construction.....	2,626	2,888	2,887
Other.....	—46	83	—180
National defense.....	17,617	15,621	15,172
Total, additions to Federal assets.....	22,339	19,325	18,296
Additions to State, local, and private assets:			
Civil.....	1,550	1,554	1,713
National defense.....	22	22	18
Total, additions to State, local, and private assets.....	1,572	1,576	1,730
Expenditures for other developmental purposes:			
Civil:			
Research and development.....	5,083	5,844	6,389
Other.....	1,715	2,279	4,005
National defense:			
Research and development.....	8,665	8,378	8,073
Other.....	16	16	18
Total, other developmental expenditures.....	15,479	16,518	18,484
Current aids, special services, and operations:			
Civil.....	31,098	32,669	32,971
National defense.....	27,861	28,123	28,298
Total, current aids, special services, and operations.....	58,959	60,792	61,269
Allowance for Appalachia.....		3	107
Allowance for contingencies.....		100	400
Interfund transactions.....	—664	—833	—600
Total administrative budget.....	97,684	97,481	99,687
TRUST FUNDS			
Additions to Federal assets:			
Loans.....	148	332	502
Public works.....	65	59	58
Other.....	*	1	*
Total, additions to Federal assets.....	213	391	560
Additions to State, local, and private assets.....	5,390	4,057	4,107
Expenditures for other developmental purposes.....	50	63	61
Retirement and social insurance benefits:			
Insurance and unemployment benefits.....	18,665	19,374	22,199
Other.....	2,296	2,443	2,684
Total, retirement and social insurance benefits.....	20,961	21,816	24,883
Current aids, special services, and operations.....	2,012	2,221	2,682
District of Columbia, deposit funds, and other unclassified items.....	780	1,075	1,204
Interfund transactions.....	—521	—579	—599
Total trust funds.....	28,885	29,045	32,898

Note.—For more information on this classification see special analysis D (pages 384 to 403).

*Less than one-half million dollars.

Table 7. FEDERAL RECEIPTS AND EXPENDITURES IN THE NATIONAL INCOME ACCOUNTS (in billions of dollars)

Description	1964 actual	1965 estimate	1966 estimate
RECEIPTS, NATIONAL INCOME BASIS			
Personal tax and nontax receipts.....	51.4	50.3	52.2
Corporate profits tax accruals.....	23.5	23.9	24.7
Indirect business tax and nontax accruals.....	16.0	16.8	16.1
Contributions for social insurance.....	23.8	25.0	28.0
Total receipts national income basis.....	114.7	116.0	121.0
EXPENDITURES, NATIONAL INCOME BASIS			
Purchases of goods and services.....	66.1	65.9	66.7
Transfer payments.....	30.4	31.8	35.2
Grants-in-aid to State and local governments.....	9.8	10.7	13.0
Net interest paid.....	8.1	8.5	8.6
Subsidies less current surplus of Government enterprises.....	4.1	4.1	3.5
Total expenditures, national income basis.....	118.5	121.0	127.0
Surplus (+) or deficit (-), national income basis.....	-3.9	-5.0	-6.0

RELATION OF THE FEDERAL SECTOR IN THE NATIONAL INCOME ACCOUNTS TO RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

RECEIPTS			
Total receipts, national income accounts.....	114.7	116.0	121.0
Receipts not included in Federal receipts in the national income accounts:			
Realization on loans and other assets.....	.6	.4	.5
District of Columbia government receipts.....	.3	.3	.3
Interest and other earnings.....	1.4	1.9	2.1
Receipt adjustments to consolidated cash basis:			
Employer and employee contributions to Federal retirement funds.....	-2.0	-2.1	-2.2
Accrual to cash and other adjustments.....	.7	.9	1.8
Total Federal receipts from the public.....	115.5	117.4	123.5
EXPENDITURES			
Total expenditures, national income accounts.....	118.5	121.0	127.0
Expenditures not included in Federal activities in the national income accounts:			
Loans, purchase of land, deposit funds, etc.....	3.9	1.9	1.2
District of Columbia government expenditures.....	.3	.4	.4
Portion of interest and other expenditures offset by receipt in the national income accounts.....	1.4	1.9	2.1
Expenditure adjustments to consolidated cash basis:			
Employer and employee contributions to Federal retirement funds.....	-2.0	-2.1	-2.2
Accrual to cash adjustments.....	-1.8	-1.7	-1.1
Total Federal payments to the public.....	120.3	121.4	127.4

Note.—This table shows Federal receipts and expenditures on the basis used in the national income and gross national product statistics of the Department of Commerce. For a fuller explanation, see special analysis A (pp. 356 to 365).

Table 8. RELATION OF AUTHORIZATIONS TO EXPENDITURES
(In millions of dollars)

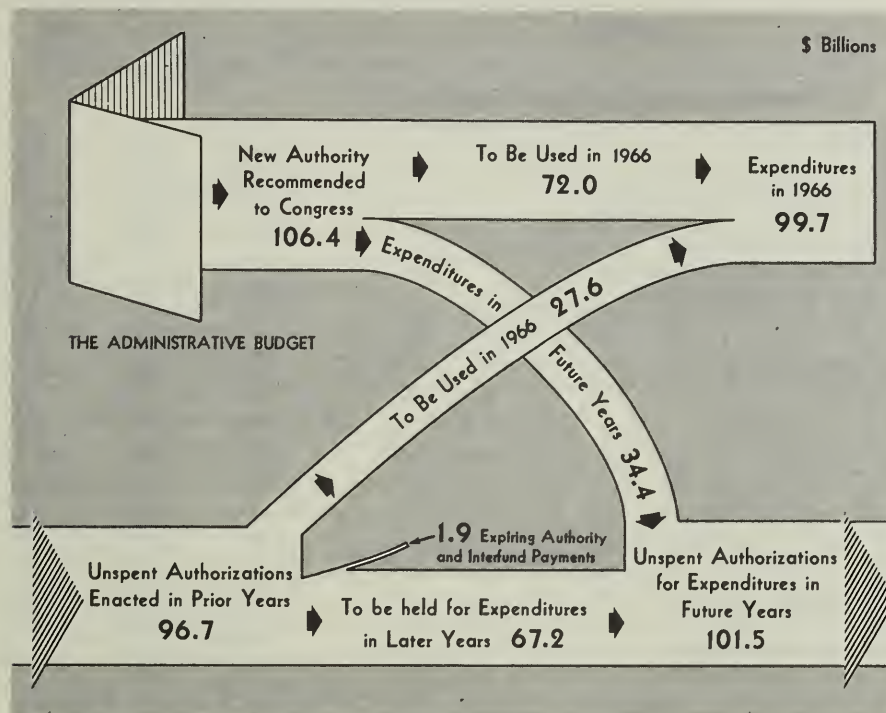
Description	1964 actual	1965 estimate	1966 estimate
ADMINISTRATIVE BUDGET FUNDS			
New obligational authority (tables 3 and 4): ¹			
Current authorizations	87,878	94,494	93,508
Permanent authorizations	13,225	12,768	12,909
Total new obligational authority	101,103	107,262	106,417
Unobligated balances brought forward, start of year (table 10)	45,295	46,723	44,175
Appropriations available in prior year	-647	-775	-866
Appropriations available from subsequent year	775	866	871
Balances no longer available:			
Unobligated balances rescinded	-79	-43	-48
Unobligated balances lapsing	-805	-1,439	-1,035
Capital transfers from revolving funds to general fund	-220	-176	-196
Unobligated balances carried forward, end of year (table 10) ..	-46,723	-44,175	-41,093
Obligations incurred, net (table 9)	98,698	108,244	108,225
Obligated balances brought forward, start of year (table 10) ..	42,531	42,621	52,532
Adjustments of obligated balances in expired accounts	-260	-20	47
Obligated balances carried forward, end of year (table 10) ..	-42,621	-52,532	-60,451
Deficiency in expired accounts, start of year ²	-67	-67	-67
Deficiency in expired accounts, end of year ²	67	67	-----
Interfund transactions (see note to table 14)	-664	-833	-600
Total administrative budget expenditures (tables 1 and 5)	97,684	97,481	99,687
From new obligational authority			72,047
From balances of prior obligational authority			27,640

Note.—This table (administrative budget and trust funds) summarizes and brings into relationship totals from the various other tabulations. The types of new obligational authority and the considerations involved in the various means of financing agency activities are explained on pages 154 to 157.

¹ Excludes appropriations to liquidate contract authorizations: 1964, \$841 million; 1965, \$1,227 million; 1966, \$1,109 million.

² Authority is recommended in 1966 to remove the deficiencies, which occurred between 1956 and 1961.

Table 8. RELATION OF AUTHORIZATIONS TO EXPENDITURES—Con.



(In millions of dollars)

Description	1964 actual	1965 estimate	1966 estimate
TRUST FUNDS			
New obligational authority (tables 3 and 4): ^a			
Current authorizations.....	374	1,414	471
Permanent authorizations.....	31,159	30,343	34,041
Total new obligational authority	31,533	31,757	34,512
Unobligated balances brought forward, start of year (table 10).....	57,408	60,317	62,785
Balances no longer available: Unobligated balances lapsing.....	-19	*	-20
Unobligated balances carried forward, end of year (table 10).....	-60,317	-62,785	-64,177
Obligations incurred, net (table 9)	28,605	29,290	33,100
Obligated balances brought forward, start of year (table 10).....	8,933	10,060	9,912
Obligated balances carried forward, end of year (table 10).....	-10,060	-9,912	-9,912
Adjustments for stock purchase, FNMA.....	71	42	-----
Subtotal	27,549	29,480	33,099
Government-sponsored enterprise expenditures.....	1,857	145	398
Interfund transactions (see note to table 14).....	-521	-579	-599
Total trust fund expenditures (tables 1 and 5)	28,885	29,045	32,898
From new obligational authority			23,976
From balances of prior obligational authority			8,922

^a Excludes appropriations to liquidate contract authorizations: 1964, \$3,975 million; 1965, \$4,591 million; 1966, \$4,877 million.

*Less than one-half million dollars.

Table 9. OBLIGATIONS INCURRED, NET (in millions of dollars)

Description	1964 actual	1965 estimate	1966 estimate
ADMINISTRATIVE BUDGET FUNDS			
Legislative branch.....	143	178	219
The Judiciary.....	65	75	88
Executive Office of the President.....	24	27	29
Funds appropriated to the President.....	3,764	5,644	5,468
Department of Agriculture.....	8,026	7,874	6,774
Department of Commerce.....	727	844	1,119
Department of Defense—Military.....	48,733	49,578	48,846
Department of Defense—Civil.....	1,059	1,390	1,402
Department of Health, Education, and Welfare.....	5,724	7,285	9,790
Department of the Interior.....	1,171	1,387	1,300
Department of Justice.....	331	387	371
Department of Labor.....	420	692	725
Post Office Department.....	689	762	858
Department of State.....	361	408	430
Treasury Department.....	11,942	12,640	12,949
Atomic Energy Commission.....	2,752	2,869	2,564
Federal Aviation Agency.....	764	853	788
General Services Administration.....	575	776	696
Housing and Home Finance Agency.....	479	938	1,667
National Aeronautics and Space Administration.....	4,856	5,804	5,351
Veterans Administration.....	5,476	5,434	4,783
Other independent agencies.....	560	1,808	1,251
District of Columbia.....	57	76	108
Allowance for Appalachia.....		365	
Allowance for contingencies.....		150	650
Total administrative budget.....	98,698	108,244	108,225
TRUST FUNDS			
Department of Commerce.....	4,187	3,776	3,739
Department of Health, Education, and Welfare.....	16,618	17,487	20,405
Department of Labor.....	3,710	3,370	3,366
Veterans Administration.....	655	618	516
Civil Service Commission.....	1,268	1,388	1,561
Railroad Retirement Board.....	1,142	1,186	1,249
Other agencies.....	1,025	1,466	2,265
Total trust funds.....	28,605	29,290	33,100

Note.—This table reflects the net obligations incurred, as explained on pages 154 and 155. For administrative budget funds, obligations are determined by deducting from the gross obligations the applicable receipts of public enterprise funds and intragovernmental funds, and the reimbursements to general fund and special fund appropriations. For trust funds, net obligations are determined by deducting from the gross obligations the applicable receipts of trust revolving funds and the reimbursements to trust fund appropriations.

Table 10. BALANCES OF OBLIGATIONAL AUTHORITY (in millions of dollars)

Description	Start 1964		Start 1965— End 1964		Start 1966— End 1965		Start 1967— End 1966	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
ADMINISTRATIVE BUDGET FUNDS								
Legislative branch.....	38	44	26	48	21	35	41	34
The Judiciary.....	5		4		5		6	
Executive Office of the President.....	3	*	3	1	4		4	
Funds appropriated to the President.....	6,461	9,534	6,095	9,018	7,307	9,085	7,906	9,183
Department of Agriculture.....	3,850	986	3,982	846	4,997	914	5,413	687
Department of Commerce.....	620	531	652	537	732	139	1,042	99
Department of Defense—Military.....	18,655	11,661	17,471	12,725	18,949	11,768	19,895	10,296
Department of Defense—Civil.....	250	66	156	156	277	33	343	11
Department of Health, Education, and Welfare.....	1,720	363	1,893	368	3,395	270	5,395	264
Department of the Interior.....	323	213	369	224	531	139	656	127
Department of Justice.....	17	15	20	23	40	14	34	14
Department of Labor.....	14	307	42	304	238	304	398	308
Post Office Department.....	407	13	528	13	572	7	716	7
Department of State.....	85	54	96	46	116	33	131	10
Treasury Department.....	158	267	151	274	240	4	327	12
Atomic Energy Commission.....	1,245	336	1,232	327	1,401	83	1,435	
Federal Aviation Agency.....	357	246	369	282	441	159	479	100
General Services Administration.....	278	397	261	431	419	258	501	187
Housing and Home Finance Agency.....	3,630	9,328	3,781	9,535	4,543	10,390	5,756	8,648
National Aeronautics and Space Administration.....	1,730	548	2,414	789	3,318	235	3,569	144
Veterans Administration.....	335	851	330	766	388	947	522	1,660
Other independent agencies.....	2,348	9,438	2,745	9,904	4,184	9,272	5,322	9,230
District of Columbia.....		97		107		84	6	74
Allowance for Appalachia.....					362		255	
Allowance for contingencies.....					50		300	
Total administrative budget.....	42,531	45,295	42,621	46,723	52,532	44,175	60,451	41,093
TRUST FUNDS								
Department of Commerce.....	6,139	2,718	6,655	2,259	6,293	2,349	6,120	2,566
Department of Health, Education, and Welfare.....	22	21,312	14	21,950	16	21,875	23	21,078
Department of Labor.....	8	6,269	11	6,850	45	7,491	65	8,107
Veterans Administration.....	350	6,383	345	6,441	329	6,537	338	6,735
Civil Service Commission.....	92	13,511	105	14,699	122	15,971	134	17,148
Railroad Retirement Board.....	92	3,696	96	3,762	97	3,867	97	4,006
Other agencies ¹	2,231	3,520	2,834	4,356	3,011	4,694	3,135	4,536
Total trust funds.....	8,933	57,408	10,060	60,317	9,912	62,785	9,912	64,177

Note.—For explanation of balances carried forward see page 156.

*Less than one-half million dollars.

¹ Obligated balances include deposit funds.

Table 11. THE PUBLIC DEBT (in millions of dollars)

Description	1964 actual	1965 estimate	1966 estimate
PUBLIC DEBT HELD BY THE PUBLIC			
Public debt held by the public, start of year.....	248,125	251,160	254,038
Change in public debt held by the public during the year:			
Consolidated cash excess of receipts (—) or payments (tables 1 and 2).....	4,802	4,009	3,908
Receipts from exercise of monetary authority (—).....	—69	—97	—112
Increase or decrease (—) in debt issued in lieu of checks (table A-3).....	1,099	1,119	724
Increase or decrease (—) in cash on hand.....	—874	—2,197
Net borrowing from or repayments (—) to the public.....	4,958	2,833	4,520
Deduct net borrowing of Government enterprises from the public (included on preceding line) (table B-10).....	1,923	—45	754
Net increase in public debt held by the public.....	3,035	2,878	3,766
Public debt held by the public, end of year.....	251,160	254,038	257,804
PUBLIC DEBT HELD BY GOVERNMENT-ADMINISTERED FUNDS			
Public debt held by Government-administered funds, start of year.....	57,735	60,553	62,366
Change in public debt held by Government-administered funds during the year (table B-11).....	2,818	1,813	1,926
Public debt held by Government-administered funds, end of year.....	60,553	62,366	64,292
COMPARISON OF PUBLIC DEBT WITH STATUTORY LIMITATION AT END OF YEAR			
Public debt:			
Held by the public.....	251,160	254,038	257,804
Held by Government-administered funds.....	60,553	62,366	64,292
Total public debt.....	311,713	316,404	322,096
Portion of Government enterprise debt subject to the public debt limitation:			
Held by the public.....	654	360	268
Held by Government-administered funds.....	159	136	136
Total public and guaranteed Government enterprise debt.....	312,526	316,900	322,500
Portion of public debt not subject to limitation.....	—362	—355	—349
Debt subject to limitation, end of year.....	312,164	316,545	322,151
Statutory limitation on public debt, end of year:			
Under existing legislation.....	324,000	324,000	285,000
Under proposed legislation.....	(¹)

Note.—The first portion of this table reflects borrowing (or repayment thereof) through the issuance of U.S. securities to the public by both the Treasury and by certain "Government enterprises," a term used here to refer to activities which have authority to issue their own securities. The borrowing by such enterprises is then deducted to arrive at the changes in the public debt (a term which relates to securities issued by the Treasury). "Government-administered funds" in this table refers to activities which have authority to buy U.S. securities for investment purposes.

¹ To be proposed later after timing of estimated transactions can be examined on a more detailed basis.

Table 12. CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH

Description	As of June		
	1964 actual	1965 estimate	1966 estimate
Executive Office of the President.....	1,542	1,580	1,660
Department of Agriculture.....	108,476	110,500	113,380
Department of Commerce.....	33,261	33,350	34,150
Department of Defense:			
Military and Military assistance ¹	997,863	980,000	961,000
Civil ²	31,893	31,990	32,500
Department of Health, Education, and Welfare.....	83,293	85,500	91,500
Department of the Interior.....	³ 69,867	68,700	70,400
Department of Justice.....	32,483	33,260	33,490
Department of Labor.....	9,292	9,130	9,120
Post Office Department.....	585,313	589,500	610,000
Department of State.....	24,668	24,300	24,800
Agency for International Development.....	15,642	15,550	15,550
Peace Corps.....	1,082	1,110	1,240
Treasury Department.....	86,748	88,000	91,700
Atomic Energy Commission.....	7,268	7,300	7,320
Federal Aviation Agency.....	45,377	45,100	44,430
General Services Administration.....	34,897	36,800	38,550
Housing and Home Finance Agency.....	13,840	14,020	14,700
National Aeronautics and Space Administration.....	32,499	33,650	33,950
Veterans Administration.....	172,171	170,800	171,280
Other independent agencies:			
Civil Service Commission.....	3,887	3,970	3,960
Selective Service System.....	7,108	7,520	7,540
Small Business Administration.....	3,378	3,650	4,000
Tennessee Valley Authority.....	17,353	16,150	17,400
The Panama Canal.....	14,773	15,250	15,260
United States Information Agency.....	11,971	11,930	11,840
Miscellaneous independent agencies.....	23,290	24,570	25,600
Other employment: ⁴			
Economic opportunity programs.....		4,600	5,400
Appalachia program.....		300	1,100
Allowance for contingencies.....		920	2,860
Total.....	2,469,235	2,469,000	2,495,680

Note.—The figures for 1965 and 1966 include tentative estimates for employment under appropriations proposed for later transmittal. In accordance with definitions of the Civil Service Commission, the figures cover both those employees who are working on June 30, and part-time and intermittent employees who work at any time during the month of June. More detailed information on employment is contained in special analysis C on pages 376 to 383.

¹ Consists of civilian employment for military functions and military assistance.

² Employment of the Panama Canal and the United States Soldiers' Home is included under "Other independent agencies" below.

³ Excludes 406 project employees for the public works acceleration program for fiscal year 1964.

⁴ Subject to later distribution.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1964 enacted	1965 estimate	1966 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE					
AGRICULTURAL RESEARCH SERVICE					
General and special funds:					
Salaries and expenses.....355 NOA	183,775	220,560 A 550 B 6,013	225,757 A-27,305	-5,071	Supplemental is for screwworm eradication in the Southwest. Net decrease reflects proposed legislation to place meat inspection on a self-supporting basis and savings from reduction or elimination of research at 47 locations and elimination of the fire ant control program. Increases in 1966 are for staffing new and expanded facilities, additional support for senior scientists, research on livestock, toxin-producing molds, and health-related problems of tobacco, expanded plant and animal disease and pest control and eradication, meat inspection and construction of laboratories—primarily of laboratories for which planning was provided in 1965.
Permanent.....NOA	1,000	1,000	24,600		
Reappropriation.....NOA	185,295	211,167 A 468	235,907 A-31,863	-7,591	
Exp.					
Salaries and expenses (special foreign currency program)....355 NOA	1,250	2,000	4,000	2,000	Increase expands use of excess foreign currencies for agricultural and forestry research in the economic, biological, and physical sciences.
Exp.	4,808	6,830	8,310	1,480	
State experiment stations.....355 Exp.	1				(Activities were transferred to Cooperative State Research Service.)
Construction of facilities.....355 Exp.	1,667	897	367	-530	(New construction is funded under Salaries and expenses.)
Diseases of animals and poultry.....355 Exp.		13		-13	(Expenditures from the account are expected to be completed in 1965.)
Animal disease laboratory facilities.....355 Exp.	56	93		-93	(Construction in 1965 completes this installation at Ames, Iowa.)
Research on strategic and critical materials.....355 Exp.		1		-1	(Expenditures from this account are expected to be completed in 1965.)
Establishment of an entomology research laboratory.....355 Exp.	7	3		-3	(Expenditures from this account are expected to be completed in 1965.)

Intragovernmental funds:					
Working capital fund, Agricultural Research Center.....	Exp.	—14			
Total, Agricultural Research Service.	NOA	186,025	223,560 A 550 B 6,013	254,357 A 27,305	—3,071
	Exp.	191,819	219,004 A 468	244,584 A 31,863	—6,751
COOPERATIVE STATE RESEARCH SERVICE					
General and special funds:					
Payments and expenses.....	NOA	41,631	49,930 B 67	52,367	2,770
Permanent.....	NOA			400	
	Exp.	41,614	49,993	52,454	2,461
EXTENSION SERVICE					
Cooperative extension work, payments and expenses.....	NOA	80,180	85,174 B 67	86,335	1,228
	Exp.	79,417	85,340	86,391	1,051
Intragovernmental funds:					
Advances and reimbursements.....	Exp.	—15			
Total, Extension Service.....	NOA	80,180	85,174 B 67	86,335	1,228
	Exp.	79,402	85,340	86,391	1,051

A decrease of \$1.2 million in facility grants is more than offset by increase of \$2 million for grants to land-grant colleges; \$1 million for grants for cooperative forestry research and \$900 thousand for grants for basic research and other activities.

Increase is for additional employment of area extension agents by the States and payment of increased mandatory retirement and employees compensation costs.

^A Proposed for separate transmittal, other than pay increase supplemental.
^B Proposed for separate transmittal, civilian pay increase supplemental.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1964 enacted	1965 estimate	1966 estimate	Increase or decrease (-)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
FARMER COOPERATIVE SERVICE					
General and special funds:					
Salaries and expenses.....355 NOA	1,201	1,102	1,241	100	Increase is to improve research and technical assistance for farmer cooperatives.
Exp.	1,141	1,120	1,226	106	
Intragovernmental funds:					
Advances and reimbursements.355 Exp.	72	35		-35	
Total, Farmer Cooperative Service.	1,201	1,102	1,241	100	
Exp.	1,213	1,155	1,226	71	
SOIL CONSERVATION SERVICE					
General and special funds:					
Conservation operations.....354 NOA	97,850	100,183	104,103	-20,130	Decrease is due to nonrecurring capital improvement at plant material centers. Decrease under proposed legislation is to finance through fees and charges up to 50% of cost of technical assistance.
Exp.	95,951	103,572	104,000	-19,572	
Watershed planning.....354 NOA		5,521	5,721		Estimate provides for surveys of proposed small watershed projects and preparation of work plans in cooperation with local sponsors.
Exp.		5,415	5,727	312	
Watershed protection.....354 NOA	63,510	60,285	67,171	6,151	Estimate will start construction of about 70 watershed projects, continue 280, complete 35, provide advance engineering for 298, and increase construction loans and comprehensive river basin surveys.
Exp.	62,776	59,568	64,820	5,252	
Flood prevention.....354 NOA	25,430	26,317	25,417	-900	Decrease due to reduced estimate for emergency measures for which \$900 thousand supplemental appropriation was provided in 1965.
Exp.	22,382	25,300	25,700	400	
Great Plains conservation program.....354 NOA	13,617	14,744	14,864		Estimate provides cost-sharing assistance to farmers for technical conservation services.
Exp.	11,882	13,249	14,364	1,115	

Resource conservation and development.....354	NOA	1,500	1,770 B 43	4,303	2,490	Estimate includes planning of 10 new projects in 1966, beginning development of 5 of these and continuing development of the 10 projects approved during 1965.
Exp.		263	1,799	3,700	1,901	
Total, Soil Conservation Service.	NOA	201,907	208,820 B 5,148	221,579 A -20,000	-12,389	
Exp.		193,254	208,903	218,311 A -20,000	-10,592	
ECONOMIC RESEARCH SERVICE						
Salaries and expenses.....355	NOA	9,890	10,562 B 360	11,366	444	Increase provides research on farm financial management, water management, the away-from-home food market, agricultural exports and imports, and export outlook projections.
Exp.		10,016	10,705	11,306	601	
STATISTICAL REPORTING SERVICE						
Salaries and expenses.....355	NOA	11,244	11,460 B 406	14,366	2,500	Increase (nonrecurring) is for purchase of a large scale computer. Work will be reduced on the cattle-on-feed and turf grass seed programs and eliminated for cut flowers to permit extension of the basic program to improve crop and livestock estimates to the 48 conterminous States.
Exp.		11,202	11,851	14,316	2,465	
Intragovernmental funds: Advances and reimbursements.....355	Exp.	-18	18	-	-18	
Total, Statistical Reporting Service.	NOA	11,244	11,460 B 406	14,366	2,500	
Exp.		11,184	11,869	14,316	2,447	
AGRICULTURAL MARKETING SERVICE						
General and special funds: Marketing services.....355	NOA	42,400	39,487 B 1,000	41,232 A -20,936	-20,191	The decrease reflects proposed legislation to finance poultry inspection and certain marketing services on a fee basis, partially offset by increases for mandatory poultry inspection, livestock grading, and administration of Packers and Stockyards and U.S. Warehouse Acts.
Exp.		43,540	39,450	41,395 A -24,646	-22,701	
Payments to States and possessions.....355	NOA	1,500	1,500	1,500	-	
Exp.		1,500	1,500	1,500	-	Estimate provides for matching payments to States for programs to improve marketing.

^A Proposed for separate transmittal, other than pay increase supplemental.

^B Proposed for separate transmittal, civilian pay increase supplemental.

A Proposed for separate transmittal, other than pay increase supplemental.

B Proposed for separate transmittal, civilian pay increase supplemental.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1964 enacted	1965 estimate	1966 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
AGRICULTURAL MARKETING SERVICE—Continued					
General and special funds—Continued					
Special milk program.....659 NOA	100,000	51,500	100,000	—3,000	Increase in the direct appropriation and decrease in the permanent ap-
Permanent.....NOA		51,500			propriation (transferred from "Removal of surplus agricultural com-
Exp.....	97,484	103,000	100,000	—3,000	modities") reflects a shift in financing in 1966.
School lunch program.....659 NOA	137,000	146,400	157,000	10,600	Increase provides for school lunches to increased number of children.
Permanent.....NOA	45,000	45,000	45,000		
Exp.....	180,664	190,900	202,000	11,100	
Food stamp program.....659 NOA		25,000	100,000	40,000	Increase provides for expansion of program under direct appropriation
Permanent.....NOA		35,000			authorized under the Food Stamp Act of 1964.
Exp.....		59,600	99,600	40,000	
Perishable agricultural commodi-					
ties act fund (permanent, in-	845	895	953	58	An increase in license fee rates effective Jan. 1, 1965, provides added
definite, special fund).....355	835	925	939	14	funds in 1966 for administration of the license system.
Removal of surplus agricultural					
commodities (permanent, in-	269,021	226,817	311,683	84,866	30% of certain customs receipts is available to finance this and related
definite).....351	239,611	241,817	311,683	69,866	Federal programs. Increase results from elimination of transfers to
					the food stamp and special milk programs, and will permit larger
					volume of surplus commodity purchases for donation to the States.
(Food stamp program).....659 NOA	30,881				
Exp.....	30,448				

Intragovernmental funds:		—92		106		—106	
Advances and reimbursements 355		Exp.					
Total, Agricultural Marketing Service.		NOA					
		Exp.					
		626,647		623,099		757,368	
				B 1,000		A —20,936	
		593,990		637,298		757,117	
						A —24,646	
						95,173	
FOREIGN AGRICULTURAL SERVICE							
General and special funds:		355					
Salaries and expenses		NOA					
Permanent		NOA					
		Exp.					
		18,687		20,474		20,574	
				B 305			
		3,117		3,117		3,117	
		16,869		19,857		20,487	
		3,066		2,800		2,463	

DEPARTMENT OF AGRICULTURE—Continued

Account and functional code	1964 enacted	1965 estimate	1966 estimate	Increase or decrease (-)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued					
General and special funds—Continued					
Sugar Act program.....351 NOA	78,000	90,000	95,000	-8,000	Decrease results from less payments to be made in 1966 for prior year crops than in 1965.
Exp.	87,071	90,001	95,004	-7,997	
	-----	13,000	13,000		
Agricultural conservation program:					
Contract authorization.....354 NOA	220,000	220,000	120,000	-100,000	Reduction proposed will provide adequate funds to cost-share high priority conservation practices.
Liquidation of contract authorization.....	(215,000)	(225,000)	(220,000)	(-5,000)	(Payments which should have been made in 1964 were made in 1965 due to insufficient 1964 funds. This should not recur in 1966.)
Exp.	213,563	225,586	222,773	-2,813	

Cropland conversion program:					
Contract authorization (permanent).....351 NOA	10,000	10,000	10,000	-----	A fully authorized program is provided in 1966. Decrease in appropriation to liquidate contract authorization in 1966 is due to financing more than 1 year's program in 1965.
Liquidation of contract authorization.....	(11,350)	(15,000)	(10,000)	(-5,000)	
Exp.	7,097	14,162	8,430	-5,732	

Conservation reserve program.....351 NOA	294,000	194,000	150,000	-44,000	Requirements for annual rental payments will decrease in 1966, with contracts expiring on about 3.2 million acres in 1965.
Exp.	289,933	196,995	152,201	-44,794	

Emergency conservation measures.....354 NOA	4,000	4,000	4,000	-----	Payments are for cost-sharing assistance to farmers to rehabilitate lands damaged by natural disasters.
Exp.	3,393	6,384	3,278	-3,106	

Indemnity payments to dairy farmers.....355 NOA	8,800	8,800	-----	-----	Special appropriation in 1965 was to aid farmers required to remove from commercial markets milk containing chemical residues.
Exp.	8,800	8,800	-----	-----	

Intragovernmental funds: Administrative expenses, sec. 392, Agriculture Adjustment Act of 1938.....355	Exp.	-151	12	-----	-12	(This account is merged with "Expenses, Agricultural Stabilization and Conservation Service.")
Local administration, sec. 388, Agriculture Adjustment Act of 1938.....355	Exp.	42	12	-----	-12	(This account is merged with "Expenses, Agricultural Stabilization and Conservation Service.")
Total, Agricultural Stabiliza- tion and Conservation Service.	NOA	726,143	632,402 A 13,000 B 2,950	517,350	-131,002	
Exp.		717,794	653,512 A 13,000	618,387	-48,125	
COMMODITY CREDIT CORPORATION						
Price Support and Related Programs						
Public enterprise funds:						
Price support and related pro- grams:						
Contract authorization (per- manent, indefinite).	NOA	469,010	-----	-----	-----	
Appropriation to liquidate con- tract authorization.	NOA	-----	(290,989)	-----	(-290,989)	
Reimbursement for net realized losses.	NOA	2,699,400	1,283,011	2,300,000	-163,864	Supplemental NOA in 1965 is to restore unrecovered 1962 and 1963 losses to provide sufficient borrowing authority in 1965. Request in 1966 is for needed capital to reimburse the Corporation for a portion of 1964 realized losses.
Limitation on administra- tive expenses.	Exp.	(41,650) 3,175,282	A 1,180,853 (37,351) 2,292,573	(36,650) 1,863,710	(-701) -428,863	
Special milk program: Reimbursement for costs for special milk program.	Exp.	-387	-12	-----	12	(Program is now being financed through an appropriation under the Agricultural Marketing Service.)
Total, price support and related programs.	NOA	3,168,410	1,283,011 A 1,180,853	2,300,000	-163,864	
Exp.		3,174,895	2,292,561	1,863,710	-428,851	

^A Proposed for separate transmittal, other than pay increase supplemental.
^B Proposed for separate transmittal, civilian pay increase supplemental.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1964 enacted	1965 estimate	1966 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
COMMODITY CREDIT CORPORATION— Continued					
Special Activities					
Intragovernmental funds:					
Military housing, barter and ex- change.....351	—3,027	—2,389	—2,000	389	The facilities of the Commodity Credit Corporation are available by law for carrying out the various programs listed. Subsequent recovery of costs incurred is made from special revenues, appropriations, or from other agencies.
National Wool Act (permanent, indefinite).....351	90,179	87,770	31,499	—56,271	(Receipts are from Department of Defense for housing constructed in France, using foreign currencies acquired by sale of agricultural commodities.)
Migratory waterfowl feed.....351	72,937	31,766	38,511	6,745	1965 NOA fully reimburses the Corporation for all prior year costs. 1966 NOA will meet current year costs.
Research to increase domestic consumption of farm commodi- ties (permanent).....355	13				(Increased payments to producers due to anticipated lower prices on wool and mohair marketings.)
Research to reduce surplus com- modities.....355	16,000	12,175		—12,175	(This item is now included in Department of the Interior.)
Loans for conservation pur- poses.....354	553	8,593	8,470	—123	Funds transferred to Commodity Credit Corporation from section 32 are, in turn, transferred to Agricultural Research Service and Co-operative State Research Service for specified research projects. In 1966 the funds will be by direct transfer to those agencies.
		6,752	5,892	—860	(Corporation funds are transferred to the Agricultural Research Service for specified research projects.)
	—640				(Corporation funds may be loaned to the Secretary of Agriculture to carry out the agricultural conservation program. No net borrowings are expected in 1966.)

Transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation.....351	Exp.	-11,810	-3,785	-556	3,229	(The Corporation is authorized to sell cotton released from the national stockpile. Proceeds, less costs incurred, are deposited in the Treasury as miscellaneous receipts.)
Subtotal.....	NOA Exp.	106,179 58,026	99,945 40,937	31,499 50,317	-68,446 9,380	
Increase or decrease (-) in amount owed by general fund for foreign assistance programs.	Exp.	-21,635	-782,053	25,623	807,676	(Expenditures made through the Commodity Credit Corporation for foreign assistance and special export programs are included on the respective lines of these programs. This adjustment brings the total of these programs to the net expenditures for special activities funded by the Corporation during each year.)
Total, special activities financed by Commodity Credit Corporation.....	NOA Exp.	106,179 36,391	99,945 -741,116	31,499 75,940	-68,446 817,056	
Total, Commodity Credit Corporation price support and related programs and special activities.	NOA Exp.	3,274,589 3,211,286	1,382,956 1,180,853 1,551,445	2,331,499 1,939,650	-232,310 388,205	
Foreign Assistance and Special Export Programs						Expenditures for the 5 following items are the expenditures made by the Government (through Commodity Credit Corporation) in each year for the respective program.
General and special funds: Public Law 480:						
Sale of commodities for foreign currencies.....154	NOA Exp.	1,452,000 1,415,306	1,612,000 1,273,000 1,246,664	1,144,000 1,140,000	-741,000 -106,664	Supplemental in 1965 provides for unrecovered 1965 costs. (Decrease in expenditures results primarily from reduction in shipments of non-price-support commodities and lower ocean freight charges as new law requires buyers to pay all except additional cost for use of American vessels.)
Grants of commodities for famine relief.....154	NOA Exp.	215,451 228,199	220,453 210,538	298,500 305,623	78,047 95,085	Volume of commodities (principally wheat) donated for economic development is estimated to be higher in 1966.

^A Proposed for separate transmittal, other than pay increase supplemental.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1964 enacted	1965 estimate	1966 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
COMMODITY CREDIT CORPORATION—Continued					
Foreign Assistance and Special Export Programs—Continued					
General and special funds—Continued					
Public Law 480—Continued					
Losses on long-term sales contracts.....154	52,515	35,000 A 233,400	215,500	—52,900	Decrease is due to supplemental request in 1965 to cover reimbursement to Commodity Credit Corporation for unrecovered costs. NOA in 1966 is to cover only 1966 costs less repayments.
Exp.	60,456	204,264	215,500	11,236	(It is estimated that long-term sales for dollars will continue to increase in 1966.)
International Wheat Agreement.....351	86,218	31,838 A 54,956	27,544	—59,250	Supplemental in 1965 provides for unrecovered 1964 and 1965 costs. Estimate will provide for 1966 costs only.
Exp.	125,783	29,955	27,544	—2,411	
Bartered materials for supplemental stockpile.....351	82,860 37,665	92,860 80,033	52,500 75,000	—40,360 —5,033	Decrease assumes use of \$22.5 million of prior year funds. (Estimate is for value of strategic materials acquired by barter and transferred to supplemental stockpile.)
Subtotal.....	1,889,044	1,992,151 A 561,356	1,738,044	—815,463	
NOA		1,771,454	1,763,667	—7,787	
Exp.	1,867,409	782,053	—25,623	—807,676	Expenditures shown above have been made by the Commodity Credit Corporation in advance of appropriations in some years. This adjustment line brings the total of this group to the amounts paid by the appropriation to the Corporation during each year.
Increase (—) or decrease in amount owed by general fund to Commodity Credit Corporation.	21,635				

Total, foreign assistance and special export programs.	NOA	1,889,044	1,992,151	1,738,044	-815,463	
Exp.			A 561,356			
		1,889,044	2,553,507	1,738,044	-815,463	
Total, Commodity Credit Corporation, foreign assistance program, and special export program.	NOA	5,163,633	3,375,107	4,069,543	-1,047,773	
			A 1,742,209			
Exp.		5,100,330	4,104,952	3,677,694	-427,258	
FEDERAL CROP INSURANCE CORPORATION						
Administrative and operating expenses-----351	NOA	7,057	7,187	8,478	1,000	Increase is for expansion of the crop insurance program—100 new counties will be added in 1966.
Exp.			B 291			
		7,134	7,499	8,468	969	
Public enterprise funds: Federal Crop Insurance Corporation Fund: Limitation on administrative expenses-----351	Exp.	(3,505)	(3,638)	(3,638)	1,604	(Increase results from heavy indemnity payments made in 1964 which normally would have been made in 1965. The normal indemnity payment pattern is expected in 1966.)
		-819	-445	1,159		
Total, Federal Crop Insurance Corporation.	NOA	7,057	7,187	8,478	1,000	
Exp.			B 291			
		6,315	7,054	9,627	2,573	
RURAL ELECTRIFICATION ADMINISTRATION						
General and special funds: Loans (authorization to spend debt receipts)-----353	NOA	495,000	435,000	447,000	-333,000	The 1966 authorization, plus balance from previous years, will provide for estimated loan commitments of \$300 million for electrification and \$97 million for telephone and for \$65 million reserve. Proposed legislation permits loan receipts to be used. This will reduce expenditures in 1965, and both NOA and expenditures in 1966.
Exp.						
		330,194	355,000	A-345,000	1,000	
			A-168,000	A-177,000		

A Proposed for separate transmittal, other than pay increase supplemental.
 B Proposed for separate transmittal, civilian pay increase supplemental.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1964 enacted	1965 estimate	1966 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
RURAL ELECTRIFICATION ADMINISTRATION—Continued					
General and special funds—Continued					
Salaries and expenses.....353 NOA	11,243	11,574 } B 360	11,934 }	-----	Estimate covers administrative expenses of the rural electrification and telephone programs.
Exp.	11,354	11,820	11,895	75	
Total Rural Electrification NOA	506,243	446,574 B 360	458,934 A-345,000 }	1-333,000 }	
Administration.	341,548	366,820 A-168,000	376,895 A-177,000 }	1,075 }	
Exp.					
FARMERS HOME ADMINISTRATION					
Rural housing grants and loans. 352 NOA			10,000	10,000	Increase is for enlargement and development loans and repair and improvement grants.
Exp.	4,481	2,590	11,850	9,260	
Loan authorizations.....352					Program will be financed through use of carryover balances of prior NOA. Expenditures will decline in 1966 as the proposed rural housing loan insurance program becomes operative.
Authorization to spend debt		150,000		-150,000	
receipts.					
Appropriations.....	25,000	143,500	30,000	-113,500	
NOA	126,097				
Exp.					
Rural housing for domestic farm			5,000	5,000	Grant assistance will be provided to nonprofit public or private organiza- tions for low rent housing and related facilities for domestic farm labor.
labor.....352			5,000	5,000	
NOA					
Exp.					
Rural renewal.....352 NOA	1,200	1,200	3,000	1,800	Provides for continuation and implementation of program operations in 5 pilot project areas.
Exp.	143	1,750	2,800	1,050	

Salaries and expenses.....352	NOA	38,847	39,533 B 1,700 41,000	44,692	3,459	Increase is for administrative costs of expanded programs and extending more program and related supervisory assistance to low-income applicants.
Public enterprise funds:	Exp.	39,127		44,600	3,600	
Rural housing for the elderly revolving fund.....352	NOA	3,500	5,000	5,000		NOA will increase capital used for loans to nonprofit institutions to finance modest cost rental housing for the elderly in rural areas.
Exp.	Exp.	100	8,991	4,600	-4,391	
Rural housing insurance fund (proposed legislation).....352	NOA			A 100,000	100,000	Legislation will be proposed to authorize a revolving fund to finance insured rural housing loans.
Exp.	Exp.			A 40,000	40,000	
Direct loan account.....352	Exp.	56,129	47,636	17,717	-29,919	(Receipts and balances will more than cover proposed \$340 million loan program, interest and incidental costs.)
Emergency credit revolving fund 352	Exp.	-9,138	17,679	5,863	-11,816	(Receipts and balances will finance estimated \$69 million program including administrative expense.)
Agricultural credit insurance fund (permanent, indefinite authorization to spend debt receipts).....352	NOA	45,156				Sale of loans will increase in 1965. Proposed legislation would increase from \$200 million to \$300 million the real estate loans which may be insured annually under the fund. Current contingent liabilities for insured loans are estimated at \$957 million.
Exp.	Exp.	42,461	-15,329	-11,846	3,483	
Total, Farmers Home Administration.	NOA	113,703	195,733 B 1,700 247,817	67,692 A 100,000 110,584 A 40,000	-29,741 -97,233	
Exp.	Exp.	259,400				
RURAL COMMUNITY DEVELOPMENT SERVICE						
General and special funds:						
Salaries and expenses.....355	NOA	119	123 B 9	750	618	The increase provides for strengthening of the coordination and liaison efforts related to the development of rural areas.
Exp.	Exp.	110	131	722	591	
Intragovernmental funds:						
Advances and reimbursements.....355	Exp.	77	206	-4	-210	
Total, Rural Community Development Service.	NOA	119	123 B 9	750	618	
Exp.	Exp.	187	337	718	381	

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^B Proposed for separate transmittal, civilian pay increase supplemental.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1964 enacted	1965 estimate	1966 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
OFFICE OF THE INSPECTOR GENERAL					
General and special funds:					
Salaries and expenses.....355 NOA	-----	9,866 } B 250	10,961 }	845	Increase provides for expanded departmentwide audit and investigation services.
Exp.	-----	9,716	10,906	1,190	
OFFICE OF THE GENERAL COUNSEL					
Salaries and expenses.....355 NOA	3,963	3,853 } B 186	4,229 }	190	Increased legal workload under the expanded food stamp program, Packers and Stockyards Act, and FHA loan programs accounts for the increase.
Exp.	4,032	4,057	4,225	168	
OFFICE OF INFORMATION					
Salaries and expenses.....355 NOA	1,684	1,648 } B 41	1,689 }	-----	Estimate provides for departmentwide information services.
Exp.	1,644	1,679	1,679	-----	
NATIONAL AGRICULTURAL LIBRARY					
Salaries and expenses.....355 NOA	1,426	1,547 } B 52	1,865 }	266	Increase is primarily for expansion and mechanization of the Bibliography of Agriculture as a means of providing improved services to the scientific and technological community.
Exp.	1,404	1,573	1,839	266	

Library facilities.....355	NOA	450	-----355	7,000	7,000	Provides for construction of the National Agricultural Library, Beltsville, Md. Planning funds were provided in 1964.
Exp.		55		2,011	1,656	
Total, National Agricultural Library.	NOA	1,876	1,547 B 52	8,865	7,266	
Exp.		1,460	1,928	3,850	1,922	
OFFICE OF MANAGEMENT SERVICES						
Salaries and expenses.....355	NOA	-----	2,463 B 20	2,579	96	Provides central financing of management services for a number of smaller Department agencies.
Exp.		-----	2,223	2,628	405	
GENERAL ADMINISTRATION						
Salaries and expenses.....355	NOA	3,750	3,314 B 239	3,848	295	Increase provides for program and policy direction and coordination of the civil rights program within the Department of Agriculture under the provisions of title VI of the Civil Rights Act of 1964.
Exp.		3,902	3,495	3,853	358	
Intragovernmental funds:						
Working capital fund.....355	Exp.	-330	54	47	-7	
Total, general administration.	NOA	3,750	3,314 B 239	3,848	295	
Exp.		3,572	3,549	3,900	351	
FOREST SERVICE						
General and special funds:						
Forest protection and utilization.....402	NOA	202,460	200,873 A 14,000 B 3,924	212,445	-6,352	Supplemental is for firefighting. Decrease in 1966 results from lower estimates for firefighting and research construction partially offset by increases for forest land management, research activities, and the development of recreational facilities on national forest lands.
Exp.		204,004	202,813 A 14,000	202,190	-14,623	
Cooperative range improvements (special fund).....402	NOA	700	700	700	-----	
Exp.		700	700	700	-----	

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^B Proposed for separate transmittal, civilian pay increase supplemental.

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 B Proposed for separate transmittal, civilian pay increase supplemental.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1964 enacted	1965 estimate	1966 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
FOREST SERVICE—Continued					
General and special funds—Continued					
Forest roads and trails.....402					
Contract authorization:					
Current.....NOA	85,000	85,000	85,000		
Permanent.....NOA	(63,200)	(70,300)	(78,672)	(7,200)	Program will construct or reconstruct about 1,865 miles of multipurpose roads mostly to harvest timber. Increase in 1966 will be used primarily for recreational development on National Forest lands.
Liquidation of contract authorization.		1,172			
Exp.	58,913	84,908	78,672	-6,236	
Access roads.....402					
Exp.	1,604	1,419		-1,419	(Prior balances will acquire interest in roads or rights-of-way; future activity will be financed in Forest roads and trails.)
Acquisition of lands for national forests:					
Superior National Forest....402	936	1,001		-1,001	(Prior balances acquired lands in the Superior National Forest.)
Special acts (special fund)....402					
NOA	70	70	70		Certain forest receipts otherwise payable to counties in Utah, Nevada, and California, are used to acquire lands within national forests.
Exp.	19	70	70		
Cache National Forest.....402					
Exp.	65	40		-40	(Prior balances are used to acquire lands on the Cache National Forest.)
Wasatch National Forest....402					
NOA	250	150		-150	Completes authorization for purchases of land, authorized by 76 Stat. 545-546.
Exp.	4	345	50	-295	
Assistance to States for tree planting.....402					
NOA	1,000	1,000	1,000		Aid is given, mainly through grants, for reforestation work.
Exp.	997	1,015	1,000	-15	

Expenses, brush disposal (permanent, indefinite, special fund) .402	NOA Exp.	9,531 8,255	9,500 9,000	9,500 9,500	----- 500	Certain receipts from purchasers of timber are applied to disposal of brush on cutover areas.
Roads and trails for States, national forests fund (permanent, indefinite, special fund) .402	NOA Exp.	12,001 12,001	13,141 13,141	13,400 13,400	259 259	Permanent law makes available 10% of national forests receipts for construction and maintenance of roads and trails in national forests within the States from which the receipts were derived.
Other Forest Service permanent appropriations .402	NOA Exp.	30,754 30,725	33,658 33,684	34,368 34,375	710 691	Provides generally for the use of a portion of the revenues from operations on national forests and national grasslands for payment to States and counties to be used primarily for roads and schools.
Intragovernmental funds:						
Advances and reimbursements .402	Exp.	-264	-477	400	877	
Working capital fund, Forest Service .402	Exp.	-918	-922	-335	587	
Total, Forest Service .-----	NOA	341,766	344,092 A 14,000 B 3,924	356,483	-5,533	
	Exp.	317,040	346,737 A 14,000	340,022	-20,715	
Total, Department of Agriculture.	NOA	8,051,561	6,262,326 A 1,769,759 B 23,343	6,935,640 A -313,241	1,433,029	
	Exp.	7,896,864	6,975,086 A -140,532 B 23,378	6,569,792 A -213,509 B 1,137	-500,512	

^A Proposed for separate transmittal, other than pay increase supplemental.

^B Proposed for separate transmittal, civilian pay increase supplemental.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1964 enacted	1965 estimate	1966 estimate	Increase or decrease (—)	Explanation of NOA requests
TRUST FUNDS—Continued					
DEPARTMENT OF AGRICULTURE					
Miscellaneous trust funds.....351	Exp.			—45	(Receipts, mostly from States and local organizations, are used in work under cooperative agreements with Agricultural Stabilization and Conservation Service.)
354	NOA	681	850	52	Receipts, mostly from States and local organizations, are used in work under cooperative agreements with Soil Conservation Service.
	Exp.	599	840	50	
355	NOA	27,577	29,730	7,543	Fees are used for inspection and grading services of Agricultural Marketing Service and Agricultural Research Service, relieving general revenues of this expense. Other receipts are used under cooperative agreements. Legislation is proposed to place special benefit services related to cotton classing and inspection of grain and tobacco on a self-supporting basis.
	Exp.	27,267	29,544	7,719	
Farmers Home Administration (trust revolving fund)	352	717	—3,483	—2,748	(Funds of 39 States are administered in insured loan programs within those States.)
Forest Service: Cooperative work	402	27,460	28,000	29,000	Advances from others are used in cooperative work, such as reforestation, in forests and on land adjacent to forests.
	Exp.	22,987	23,200	27,500	
Total, Department of Agriculture.		55,718	58,528	59,577	
		51,571	50,096	57,546	
				55,626	
				57,229	

SPECIAL ANALYSIS C

CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH

EMPLOYMENT TOTALS

Between June 1963 and June 1964, Federal civilian employment in the executive branch was reduced by 21,000 to a total of 2,469,000. It is expected to be at approximately the same level in June 1965—a level 43,000 fewer than had been anticipated for that date a year ago. Decreasing the employment levels while providing ever-increasing levels of service required vigorous action by agency managers to improve manpower management and raise the level of employee productivity.

The 1966 budget estimates that by June 1966 civilian employment will reach 2,496,000, up about 1% over the present estimate for June 1965 but still 15,000 below the number estimated last January as needed for June 1965. This estimate includes the substantial numbers of new employees needed for such recently enacted programs as the attack on poverty, and for the new programs being proposed by the President, such as hospital insurance, Appalachia, and elementary and secondary education. It also provides for manpower to meet increased workloads for the postal service, internal revenue service, public health, and many other programs.

Table C-1. SUMMARY OF CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH

Agency	As of June			Increase or decrease (—) 1966 over 1965	Percent of total 1966
	1964	1965	1966		
Department of Defense—Military and military assistance ¹	997,863	980,000	961,000	—19,000	38.5
Post Office Department.....	585,313	589,500	610,000	20,500	24.4
Veterans Administration.....	172,171	170,800	171,280	480	6.9
Department of Agriculture.....	108,476	110,500	113,380	2,880	4.6
Treasury Department.....	86,748	88,000	91,700	3,700	3.7
Department of Health, Education, and Welfare.....	83,293	85,500	91,500	6,000	3.7
Department of the Interior.....	² 69,867	68,700	70,400	1,700	2.8
Other:					
General Services Administration.....	34,897	36,800	38,550	1,750	15.1
Tennessee Valley Authority.....	17,353	16,150	17,400	1,250	
All other agencies.....	313,254	317,230	321,110	3,880	
Other employment ³		5,820	9,360	3,540	.3
Total.....	2,469,235	2,469,000	2,495,680	26,680	100.0

¹ Consists of civilian employment for military functions and military assistance.

² Excludes 406 project employees for the public works acceleration program.

³ Consists of Economic opportunity program, Appalachia program, and allowance for contingencies, all subject to later distribution.

Approximately 70% of all Federal civilian employment is in three agencies: the Departments of Defense, Post Office, and the Veterans Administration. Another 15% is found in the Departments of Agri-

culture; Treasury; Health, Education, and Welfare; and Interior. The remaining 15% is accounted for by more than 50 smaller agencies of the Government. The totals for all of the larger agencies are shown in table 12 in part 2 of this budget.

The most significant changes in 1966 employment over 1965 are shown in table C-1. Of the total increase of 26,680, approximately 80%, or 20,500, is for the Post Office. The bulk of the added Post Office employment, approximately 15,000 in number, is required to reduce the inordinate amount of overtime which many postal employees have been regularly scheduled to work—in some cases amounting to a regular workweek in excess of 70 hours. An estimated 3% increase in mail volume, offset by continued advance in productivity, accounts for the remaining increase in postal employment. In addition—

- The Department of Defense anticipates a decline of 19,000 workers by June 1966 as a result of improvements in management, including the closing of unneeded facilities.
- The increase for the Department of Health, Education, and Welfare employment is needed to service a greater volume of old-age, survivors', and dependents' insurance claims; to accelerate efforts to reduce air and water pollution; to provide more comprehensive drug regulation; and to implement the new proposals for hospital insurance for the aged.
- Rising workloads in internal revenue operations and another step in the program to improve taxpayer compliance largely account for the increase in the Treasury Department.
- The increase in the Department of Agriculture is principally to provide for uncontrollable workload in meat inspections, Farmers Home loan and guarantee activities, visitors to the National Forests, and to continue work on going watershed projects; it also provides strengthening of high priority research and forest land management and for necessary expansion of comprehensive river basin surveys.
- The growth in the Department of the Interior is principally to take care of an increasing number of visitors to the National Parks, to provide for higher enrollment in Indian schools, and to expand power transmission lines in the Northwest to meet treaty commitments with Canada on the use of Columbia River water.
- Other increases are in the General Services Administration to meet greater workloads in the operation of additional public buildings, and supply support activities; in the Tennessee Valley Authority to provide for the operation of power units being completed and for construction for new water resource facilities; and in other agencies to meet requirements for expanded services.

Of the 26,680 increase estimated for 1966 in civilian employment in the executive branch, 15,000 are in permanent full-time positions and the remainder are in temporary, part-time, and intermittent jobs. Temporary positions (on a full-time basis) include those established for a limited period of less than a year and "career substitutes" of the Post Office (the number above the basic complement of permanent postal jobs). Part-time employees are those on a less-than-regular workweek. Intermittent employees are those who work on an irregular or unscheduled basis.

Over nine-tenths of executive branch civilian employment consists of permanent full-time employees. The part-time and intermittent workers are included in the count of Federal employees each month, along with the permanent full-time workers, even though a number of them work as little as one day during the month.

Table C-2. CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH BY TYPE OF POSITION OCCUPIED

	As of June			
	1963 actual	1964 actual	1965 estimated	1966 estimated
Permanent full-time, employment.....	2,231,519	2,228,296	2,226,120	2,241,131
Other employment, ¹ total.....	(258,769)	(240,939)	(242,880)	(254,549)
Post Office Department.....	137,495	130,507	143,130	151,866
Veterans Administration.....	21,993	23,279	21,941	21,949
Department of Agriculture.....	33,590	31,271	30,570	31,166
Department of the Interior.....	14,862	13,900	11,700	12,400
Other agencies.....	50,829	41,982	35,539	37,168
Total employment.....	2,490,288	2,469,235	2,469,000	2,495,680

¹ Consists of temporary, part-time, and intermittent employment.

In total, Federal Government personnel includes both civilian employment and military personnel. Adding the latter to the civilian employment figures shows a grand personnel total for the executive branch of approximately 5,188,000 for June 1964, 5,159,000 for June 1965, and 5,170,000 for June 1966. In addition, the employment of the legislative and judicial branches in June 1964 was about 31,000.

	As of June		
	1964 actual	1965 estimate	1966 estimate
Civilian employment in the executive branch.....	2,469,235	2,469,000	2,495,680
Military personnel:			
Department of Defense.....	2,685,161	2,656,008	2,640,266
Reimbursable details to other agencies.....	1,111	1,331	1,364
Treasury Department (Coast Guard).....	32,248	32,275	32,778
Total executive branch personnel.....	5,187,755	5,158,614	5,170,088
Legislative and judicial personnel.....	30,851		
Total.....	5,218,606		

EMPLOYMENT TRENDS AND COMPARISONS

With the continued growth in population, in national income, and in economic activity generally, there has been a concomitant growth in the volume of public services which the Government is called upon to render. In the fiscal year 1966, for example, the number of passports applied for will rise 10%; coins minted will increase 16%; subsidized school lunches served will be up 6%; takeoffs and landings at airports served by Federal towers will increase 6%; establishments with Federal meat inspectors will rise 6%; tax returns

filed will grow by 2%; the number of pieces of mail deposited in the Post Office will be up 3%; and customs inspections of packages will rise 4%.

These and other increased demands for services can be accommodated only by increased productivity or additional workers, or a combination of both.

Under the leadership of the President, a concerted effort has been underway to utilize Federal employees more effectively, to improve work methods and organization, and through the resulting improvements in productivity to hold Federal employment to the lowest possible levels.

Over the past decade, in fact, Federal civilian employment has not risen in step with related factors. For example:

- In 1954 there were 14.6 Federal civilian employees for every 1,000 people in the Nation; in 1964 this number was reduced to 12.9 and it is expected to decline still further to 12.6 in 1966.
- In 1954, one out of every three public civilian employees worked for the Federal Government, and the other two for State or local government units. In 1964, this ratio was one out of four, and it will continue to drop.

Table C-3. GOVERNMENT EMPLOYMENT AND POPULATION, 1942-66

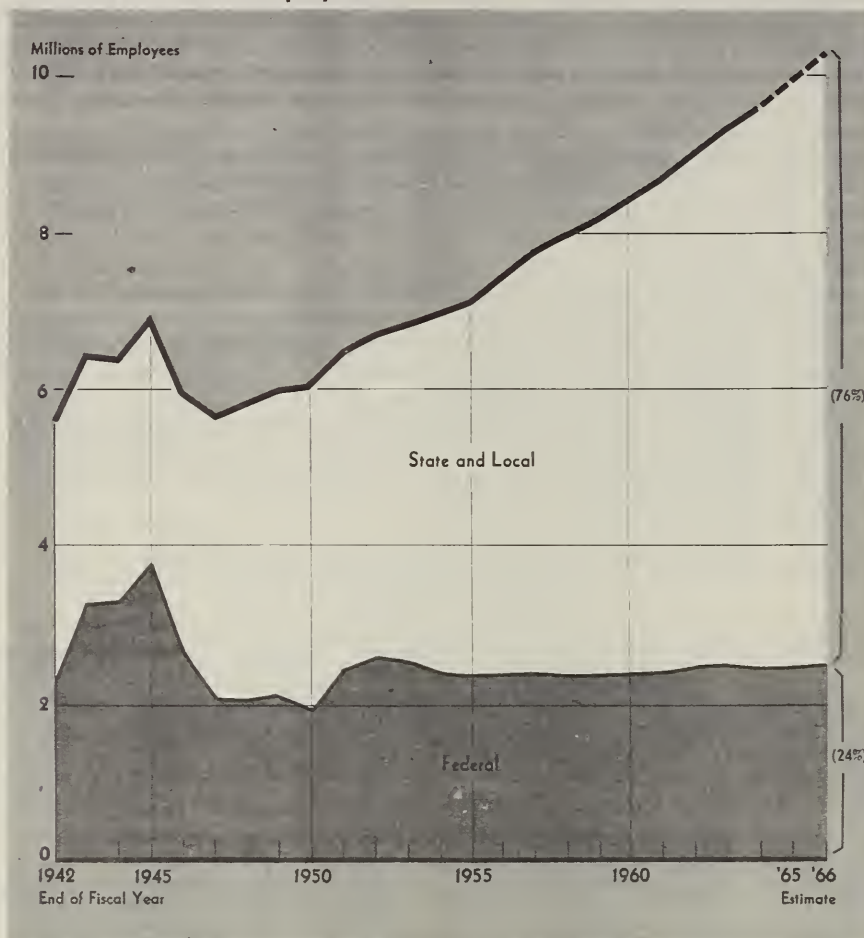
Year	Government employment				Population	
	Federal executive branch (thousands)	State and local governments (thousands)	All governmental units (thousands)	Federal as percent of all governmental units	Total United States (thousands)	Federal employment per 1,000 population
1942.....	2,272	3,310	5,582	40.7	135,361	16.8
1943.....	3,274	3,184	6,458	50.7	137,250	23.9
1944.....	3,304	3,092	6,396	51.7	138,916	23.8
1945.....	3,787	3,104	6,891	55.0	140,468	27.0
1946.....	2,666	3,305	5,971	44.6	141,936	18.8
1947.....	2,082	3,568	5,650	36.8	144,698	14.4
1948.....	2,044	3,776	5,820	35.1	147,208	13.9
1949.....	2,075	3,906	5,981	34.7	149,767	13.9
1950.....	1,934	4,078	6,012	32.2	152,271	12.7
1951.....	2,456	4,031	6,487	37.9	154,878	15.9
1952.....	2,574	4,134	6,708	38.4	157,553	16.3
1953.....	2,532	4,282	6,814	37.2	160,184	15.8
1954.....	2,382	4,552	6,934	34.4	163,026	14.6
1955.....	2,371	4,728	7,099	33.4	165,931	14.3
1956.....	2,372	5,064	7,436	31.9	168,903	14.0
1957.....	2,391	5,380	7,771	30.8	171,984	13.9
1958.....	2,355	5,630	7,985	29.5	174,882	13.5
1959.....	2,355	5,806	8,161	28.9	177,830	13.2
1960.....	¹ 2,371	6,073	8,444	28.1	180,684	13.1
1961.....	2,407	6,295	8,702	27.7	183,756	13.1
1962.....	2,485	6,533	9,018	27.6	186,656	13.3
1963.....	² 2,490	6,813	9,303	26.8	189,375	13.1
1964.....	² 2,469	7,140	9,609	25.7	192,072	12.9
1965 (estimated) ³	2,469	-----	-----	24.9	-----	12.7
1966 (estimated) ³	2,496	-----	-----	24.3	-----	12.6

¹ Includes piece-rate census workers employed for the decennial census.

² Excludes 7,411 project employees in 1963 and 406 project employees in 1964 for the public works acceleration program.

³ An official projection of population and of State and local government employment for 1965 and 1966 is not available. The percentages and ratios shown for these years are consistent with a range of reasonable estimates based on recent trends in population and State and local employment.

Government Civilian Employment



GEOGRAPHICAL DISTRIBUTION OF EMPLOYMENT

Table C-4 presents data on the geographical distribution of Federal employment. Most Federal employees—almost 84%—work in the various States. A little over 10% are located in the Washington, D.C., metropolitan area (including nearby Maryland and Virginia). An additional 6% are in foreign countries and in U.S. territories and possessions. Federal employment in foreign countries has decreased by 3,100 since 1960. This has benefited our balance of payments position, as well as reducing costs.

Table C-4. FEDERAL CIVILIAN EMPLOYMENT BY GEOGRAPHICAL LOCATION (as of June 1964)

Location	Total ¹	Location	Total ¹
Washington, D.C., metropolitan area.....	² 269,986	New Mexico.....	25,183
Alabama.....	61,879	New York.....	181,947
Alaska.....	14,449	North Carolina.....	30,569
Arizona.....	22,606	North Dakota.....	6,854
Arkansas.....	15,476	Ohio.....	92,712
California.....	247,876	Oklahoma.....	44,775
Colorado.....	36,310	Oregon.....	21,963
Connecticut.....	15,398	Pennsylvania.....	131,869
Delaware.....	3,616	Rhode Island.....	12,603
Florida.....	52,862	South Carolina.....	23,596
Georgia.....	60,466	South Dakota.....	9,309
Hawaii.....	22,517	Tennessee.....	36,961
Idaho.....	7,070	Texas.....	119,897
Illinois.....	101,847	Utah.....	28,788
Indiana.....	33,445	Vermont.....	3,080
Iowa.....	16,180	Virginia ³	70,152
Kansas.....	19,918	Washington.....	46,718
Kentucky.....	28,144	West Virginia.....	11,740
Louisiana.....	24,637	Wisconsin.....	21,651
Maine.....	15,878	Wyoming.....	5,318
Maryland ³	50,764	Total United States.....	2,343,873
Massachusetts.....	62,940	Outside United States:	
Michigan.....	44,605	Territories and possessions.....	33,571
Minnesota.....	26,302	Foreign countries.....	⁴ 122,642
Mississippi.....	17,552		
Missouri.....	53,619	Total.....	2,500,086
Montana.....	10,078	Legislative and judicial.....	-30,851
Nebraska.....	15,428		
Nevada.....	7,057	Total employment, executive branch.....	2,469,235
New Hampshire.....	4,297		
New Jersey.....	54,986		

¹ Distribution by State is partially estimated.² Includes 246,109 employees of the executive branch, and 23,877 of the legislative and judicial branches.³ Excludes employment within the Washington, D.C., metropolitan area, which includes the District of Columbia, and the adjacent counties and cities in Maryland and Virginia.⁴ Includes 92,175 foreign nationals classified as Federal employees; excludes 140,299 foreign nationals working for Department of Defense under contracts, agreements, or other arrangements with foreign governments which provide for the furnishing of personal services.

PERSONNEL COMPENSATION AND BENEFITS

Estimates of the Federal payroll and related costs are shown in table C-5. Direct compensation includes regular pay, and special pay for overtime, holiday, and standby time, differentials for nightwork and overseas duty, flight and hazardous duty, etc. Related personnel benefits include the Government's share of Federal retirement and old-age, survivors', and disability insurance costs; employees' life insurance, health insurance and benefits, and similar payments; they also include cost-of-living and quarters allowances, uniform allowances (when paid in cash), and, in the case of the military personnel, they also include allowances for subsistence, reenlistment bonuses, and certain other cash payments to personnel.

Table C-5. ESTIMATED PERSONNEL COMPENSATION AND BENEFITS

[Fiscal years. In millions of dollars]

Description	1964	1965	1966
Total civilian personnel costs:			
Direct compensation.....	16,450	17,600	17,800
Personnel benefits.....	1,400	1,500	1,500
Total.....	17,850	19,100	19,300
Civilian personnel costs of trust funds: ¹			
Direct compensation.....	550	600	600
Personnel benefits.....	50	50	50
Total.....	600	650	650
Civilian personnel costs of public enterprise funds (with their own receipts):			
Direct compensation.....	3,900	4,200	4,300
Personnel benefits.....	300	350	350
Total.....	4,200	4,550	4,650
Remaining personnel costs (i.e., excluding trust and public enterprise funds):			
Direct compensation.....	12,000	12,800	12,900
Personnel benefits.....	1,050	1,100	1,100
Total.....	13,050	13,900	14,000
MEMORANDUM			
Total military personnel costs:			
Direct compensation.....	8,330	8,830	8,830
Personnel benefits.....	2,760	2,740	2,760
Total.....	11,090	11,570	11,590

¹ Includes annexed budget agencies.

The obligations to be incurred for civilian personnel compensation and benefits in 1966 are estimated at \$19.3 billion.

Some of the personnel are employed by trust funds (such as old-age and survivors insurance) and some are employed by public enterprise funds (such as the Post Office). After deducting for the costs of such employees, the remaining personnel costs are \$14.0 billion.

Government pay scales for "blue-collar" workers have for many years been subject to administrative adjustment to correspond to pay for comparable work in private industry; as wages in private industry advanced, Federal compensation for such workers also increased.

Pay for most other Federal workers has been set by statute. In 1962, the Congress adopted the principle of comparability for such positions, and in pay scale changes effective in October 1962, January 1964, and July 1964, significant progress has been made toward the achievement of comparability. The compensation figures reflect such changes, as well as changes in the number of employees.

There have also been changes in the position structure which have affected the average salary and the total compensation. Chiefly, these are the result of changes in the character of the Government's

workload and in the level of employee skills required to deal with it. For example, as a result of increasing specialization and greater emphasis on research and development, the number of engineers in the Federal service grew 116%, and the number of physical scientists 66%, in the period from 1954 through 1964. During this period, the Government's need for professional medical personnel rose 62% and for biological scientists, 34%. At the same time, the expanded efforts to reduce employment and to increase productivity—in many cases by shifting from manual to semiautomatic or automatic processing methods—have decreased the need for unskilled employees. For example, employees in the lowest three grades of the Classification Act went down in number from 203,000 to 164,000 between June 1960, and June 1964. These are all valid reasons for the increasing average salary of Government employees.

Of course, vigilance is required to assure that Federal agencies do not adopt top-heavy organization and position structures, producing unwarranted increases in average salaries. Resistance to this tendency should be made easier as application of the comparability principle decreases the pressure to upgrade Federal jobs in order to make them competitive in the labor market. In the preparation of the 1966 budget, special attention has been given to salary trends and the number of positions in the higher grades. Special efforts have been made to avoid unjustified increases, and in some cases actual reductions have been planned.

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

General and special funds:

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, marketing, nutrition and consumer use, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That appropriations hereunder shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$75,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$20,000, except for six buildings to be constructed or improved at a cost not to exceed \$45,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$7,500 or 7.5 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland:

Research: For research and demonstrations on the production and utilization of agricultural products; agricultural marketing and distribution, not otherwise provided for; home economics or nutrition and consumer use of agricultural and associated products; and related research and services; and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100, [\$114,991,000, plus not to exceed the following amounts, to remain available until expended, for the planning, construction, alteration, and equipping of research facilities: \$1,000,000 for crops research facilities at Fort Collins, Colorado; \$850,000 for facilities at the Agricultural Research Center, Beltsville, Maryland; \$800,000 for a stored-product insects laboratory, Savannah, Georgia; \$260,000 for plans for a livestock insect and toxicology laboratory, College Station, Texas; \$338,000 for plans for a plant disease, nematode, and insect laboratory, Beltsville, Maryland; \$160,000 for plans for an insect attractants and stored-product insects laboratory, Gainesville, Florida; \$1,000,000 for a peanut quality research laboratory, at Dawson, Georgia, on a site acquired by donation; and \$240,000 for plans for a Western cotton insects and physiology laboratory, Tempe, Arizona; a cotton disease laboratory, College Station, Texas; a cotton physiology laboratory, Stoneville, Mississippi; pilot cotton ginning facilities at Stoneville, Mississippi, and Mesilla Park, New Mexico; and facilities in the High Plains region in Texas for cotton ginning and storage research; in all, \$119,639,000] \$116,892,000, of which not to exceed \$12,136,000 shall remain available until expended for construction, alteration, and improvement of facilities, without regard to limitations contained herein, and in addition not to exceed \$24,600,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 to be transferred to and merged with this appropriation: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113(a));

Plant and animal disease and pest control: For operations and measures, not otherwise provided for, to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law, including expenses pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), [\$68,793,200] \$73,160,000, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases to the extent necessary to meet emergency conditions: *Provided*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by any State of at least 40 per centum: *Provided further*, That [no funds in excess of

\$250,000 shall be available for carrying out the screwworm eradication program that does not require minimum matching by State or local sources of at least 50 per centum of the expenses of production, irradiation, and release of the screwworm flies] \$1,150,000 shall be available until expended, without regard to limitations contained herein, for the construction of facilities: *Provided further*, That, in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat, and meat-food products, and the applicable provisions of the laws relating to process or renovated butter, [\$30,837,000] \$35,705,000;

Special fund: To provide for additional labor to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$1,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research".

[For an additional amount for "Salaries and expenses", for "Meat inspection", \$1,291,000.] (5 U.S.C. 511-512, 524, 541c-541e, 563-564, 565a, 576, 2131; 7 U.S.C. 135-135k, 145-148a, 148c-164a, 166-167, 281-283, 391, 394-396, 401-404, 421-422a, 424-425, 427, 427i, 428a, 429-431, 433-434, 436-437, 450, 851-855, 1292, 1441, 1621-1627, 1651-1656, 1704, 1901-1906; 10 U.S.C. 2306; 15 U.S.C. 69e; 16 U.S.C. 531-531a, 531f, 590a-590b, 590f, 590k; 18 U.S.C. 287, 1114; 19 U.S.C. 1201, 1306; 20 U.S.C. 191-194; 21 U.S.C. 71-91, 94-96, 98, 101-105, 111-114c, 114e-131, 134-134h, 151-158, 342a, 346-346a; 26 U.S.C. 4817, 7235c; 31 U.S.C. 725a; 42 U.S.C. 1476b-1476d, 1483, 1891-1893; 45 U.S.C. 71-74; 46 U.S.C. 466a-466b; 48 U.S.C. 1409m-1409o; 49 U.S.C. 1474(a), 1509; 46 Stat. 67; 77 Stat. 826; 78 Stat. 868; Department of Agriculture and Related Agencies Appropriation Act, 1965; Supplemental Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-04-1400-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Research:			
(a) Farm research.....	63,277	90,721	86,971
(b) Utilization research and develop- ment.....	24,519	30,262	29,255
(c) Nutrition and consumer use re- search.....	3,067	4,742	4,106
(d) Marketing research.....	5,083	7,642	7,774
(e) Interdepartmental pesticides co- ordination.....		250	250
(f) Construction of facilities.....	340	3,200	8,175
(g) Contingencies.....		1,000	1,000
Total, research.....	96,286	137,817	137,531
2. Plant and animal disease and pest con- trol:			
(a) Plant disease and pest control...	24,129	29,178	26,616
(b) Animal disease and pest control...	36,654	38,909	42,829
(c) Pesticides regulation.....	1,499	2,572	2,565
(d) Construction of facilities.....		100	500
Total, plant and animal disease and pest control.....	62,282	70,759	72,510

AGRICULTURAL RESEARCH SERVICE—Continued

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-04-1400-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities—Continued			
3. Meat inspection.....	28,133	33,270	35,705
Total program costs, funded ¹	186,701	241,846	245,746
Change in selected resources ²	4,217	-2,785	17,702
10 Total obligations.....	190,917	239,061	263,448
Financing:			
11 Receipts and reimbursements from Admin- istrative budget accounts: For emergency preparedness functions.....	-3		
16 Comparative transfers from other accounts.....	-8,386	-12,163	
21 Unobligated balance available, start of year.....	-2,587	-1,901	-2,576
22 Unobligated balance transferred from "Commodity Credit Corporation Fund".....			-10,515
24 Unobligated balance available, end of year.....	1,901	2,576	
25 Unobligated balance lapsing.....	2,934		
New obligational authority.....	184,775	227,573	250,357
New obligational authority:			
Current authorization:			
40 Appropriation.....	183,877	220,560	225,757
41 Transferred to "Operating expense, Pub- lic Buildings Service," General Services Administration (77 Stat. 436).....	-101		
43 Appropriation (adjusted).....	183,775	220,560	225,757
44 Proposed supplemental due to civil- ian pay increases.....		6,013	
50 Reappropriation.....	1,000	1,000	
Permanent authorization:			
60 Appropriation.....	0	0	0
62 Transferred from "Removal of surplus agricultural commodities" (Annual Appropriation Act).....			24,600
63 Appropriation (adjusted).....			24,600
Relation of obligations to expenditures:			
10 Total obligations.....	190,917	239,061	263,448
70 Receipts and other offsets (items 11-17).....	-8,389	-12,163	
71 Obligations affecting expenditures.....	182,528	226,898	263,448
72 Obligated balance, start of year.....	26,665	23,627	39,358
74 Obligated balance, end of year.....	-23,627	-39,358	-66,899
77 Adjustments in expired accounts.....	-271		
90 Expenditures excluding pay increase supplemental.....	185,295	205,575	235,486
91 Expenditures from civilian pay increase supplemental.....		5,592	421

¹ Includes capital outlay as follows: 1964, \$9,412 thousand; 1965, \$20,500 thousand; 1966, \$27,900 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964 adjust- ments	1964	1965	1966
Stores.....	\$581	78	\$632	\$632	\$632
Unpaid undelivered orders.....	13,624	78	17,177	14,392	32,094
Advances.....	756	--	1,446	1,446	1,446
Total.....	14,960	78	19,255	16,470	34,172

The service conducts basic and applied research relating to the production, utilization and marketing of agricultural products, research on nutrition and consumer use, and carries out those control and regulatory programs of the Department which involve enforcement of plant and animal quarantines, meat inspection, the control of diseases and pests of animals and plants, and related work.

1. *Research*—(a) *Farm research*.—Improved breeding, feeding, and management practices are developed for farm livestock, poultry, and domestic fur animals. Practical methods are sought for control of diseases and parasites affecting them.

Investigations are conducted to improve varieties of food, feed, fiber and other plants and to develop new crops; to improve crop-production practices, including methods to control plant diseases and nematodes; and to develop safe chemical, biological, and other methods for control of harmful pests affecting farm production.

Research is conducted to improve fertilizers, soil management, irrigation, and conservation practices; to study hydrologic problems of agricultural watersheds; to determine the relation of soils to plants, animals, and human nutrition; and to apply engineering principles to improve efficiency and reduce costs of agricultural production.

Continuous review is maintained to emphasize work which will meet the problems of agricultural surpluses. The research is aimed at the profitable production of an adequate supply of food, feed, fiber, and other agricultural products of desired quality at minimum costs. Increased attention has been given to the production of agricultural products having industrial uses. The proportion of farm research funds going into basic research has steadily increased, and is currently estimated at 43% of the total funds for research. This basic research undergirds the other research efforts.

The 1966 estimates include increases for staffing new and expanded laboratories and watershed research centers and for providing additional subprofessional workers and labor at other locations for more effective utilization of scientists and more effective research; establishment of a meat animal research center at Clay Center, Nebr.; and research on problems related to mold contamination of oilseeds, cereals, etc., health-related problems of tobacco, trichinosis of swine, and metabolism of fission products and related elements by farm animals. There is an offsetting decrease due to proposal to close or reduce farm research at a number of field locations and reduce lines of work at Beltsville, Md.

(b) *Utilization research and development*.—Chemical, physical, and biological research is conducted to develop increased industrial uses of farm products, and new and improved foods, feeds, and fabrics; and to develop improved methods for processing agricultural commodities.

As stated above, the 1966 estimates include amounts for additional research on mold problems and on tobacco, offset by elimination of research on rice, tung, sugar crops, including molasses, honey, and maple, and reduction of research on castor, fruits, vegetables, and new crops.

(c) *Nutrition and consumer use research*.—Studies are made of nutrition, consumer use and food economics, and clothing and housing. The 1966 estimates provide for expansion of the research by providing additional subprofessional help for more effective utilization of scientists, offset by elimination of clothing and housing research.

(d) *Marketing research.*—Practical answers to problems encountered in moving products from farm to consumer are sought through research. For farm products as they pass through marketing channels, efforts are made to develop safe methods to protect against insect attack, find objective methods to determine quality, reduce losses from waste and spoilage, and improve efficiency in physical handling. The 1966 estimates provide for special research on mold problems and tobacco, and for additional funds for more effective utilization of scientists, offset by elimination of research on wholesaling and retailing.

(e) *Interdepartmental pesticides coordination.*—The 1965 appropriation provided \$250,000 for use of the Secretary of Agriculture in collaborating with the Department of Health, Education, and Welfare, Department of the Interior, and other agencies of the Federal Government on problems related to use of pesticides. The project provides for interdepartmental coordination in development of measures to protect the public health, producers, and resources.

(f) *Construction of facilities.*—In 1965, \$822,000 was appropriated for plans for new facilities at five locations for which construction funds are proposed in 1966. The estimates also provide for plans for new facilities for meat animal research at Clay Center, Nebr., continuation of construction and improvements at Beltsville, Md.; new laboratories at Stoneville, Miss., Durant, Okla., and in Delaware, offset by nonrecurring amounts for construction at four laboratories.

(g) *Contingencies.*—Beginning in 1962, \$1 million is available to meet urgent research needs that develop unexpectedly during the year, when such needs cannot be met by redirection of resources from other projects.

2. *Plant and animal disease and pest control.*—(a) *Plant disease and pest control.*—Provision is made (1) through port-of-entry inspection to exclude from this country destructive insects, plant diseases, nematodes, and other pests that cause great damage to agricultural crops in other parts of the world; (2) to cooperate with States in eradicating or preventing spread of crop pests that become established in this country; and (3) to assist States in suppressing incipient and emergency outbreaks of crop pests when and where they occur. The 1966 estimates include funds for expansion of control of cereal leaf beetle and plant quarantine protection at ports-of-entry because of increased travel and shipping, offset by elimination of the fire ant control program.

The volume of workload is indicated in the following table (in thousands):

	1962 actual	1963 actual	1964 actual
Inspections at ports-of-entry:			
Airplanes.....	137	146	160
Vessels.....	60	60	64
Vehicles from Mexico.....	24,753	25,962	27,764
Baggage, pieces of.....	23,514	27,934	32,132
Interceptions of unauthorized plant material.....	385	395	401

(b) *Animal disease and pest control.*—Programs are conducted to exclude communicable diseases of foreign origin from this country; to prevent the spread of diseases through interstate shipments of livestock or distribution of impure or impotent veterinary biologics; to control and eradicate livestock diseases; and to maintain, through a marketing agreement with manufacturers and handlers, adequate supplies of hog cholera virus and serum for protection of swine. The estimates for 1966 propose increases for hog cholera, scrapie, and southwest screw-

worm eradication; activities relating to veterinary biologics under the Virus Serum Toxin Act; and more adequate animal inspection and quarantine at ports to reduce hazard of introduction of foreign diseases. A 1965 supplemental is proposed for separate transmittal for the screwworm eradication program.

The volume of protective activities is indicated by selected examples in the following table (in thousands):

	1962 actual	1963 actual	1964 actual
Animal import inspection:			
All animals.....	1,306	1,357	677
Import animal byproduct:			
Wool, bone, glands, etc. (pounds)....	759,819	850,719	914,568
Hides and skins (pounds).....	317,109	240,537	168,457
Sheep inspected for scabies.....	12,772	15,531	15,493
Scabies-infected sheep found.....	62	20	18
Cattle inspected for scabies.....	8,159	13,465	17,260
Scabies-infected cattle found.....	2	-----	3
Inspections and dippings for cattle fever ticks.....	2,398	2,411	3,610
Cattle tested for tuberculosis.....	9,219	8,395	8,253
Tuberculosis reactors found.....	11	8	8
Lots tested for brucellosis:			
Blood tests.....	1,552	1,916	1,938
Ring tests.....	1,725	1,633	1,744
Brucellosis reactors found.....	127	132	135
Animals inspected at public stockyards....	59,033	56,874	55,148
Diseased animals received or found.....	477	520	537
Supervision of production of veterinary biologics:			
Hog-cholera virus and anti-hog-cholera serum (doses).....	38,388	39,428	27,606
Hog-cholera vaccine (doses).....	53,974	49,929	50,473
Other vaccines (doses).....	4,288,335	4,702,684	4,913,784
Total bacterins (doses).....	169,568	203,356	203,631
Diagnostic agents (doses).....	65,239	56,550	53,933
Other serums (doses).....	7,265	8,640	8,153

(c) *Pesticides regulation.*—This activity is concerned with administration of the Federal Insecticide, Fungicide, and Rodenticide Act, and related provisions of the Federal Food, Drug, and Cosmetic Act.

(d) *Construction of facilities.*—In 1965, \$100 thousand was appropriated for plans for construction of a new laboratory at Beltsville, Md., for expanded registration and enforcement activities under the Federal Insecticide, Fungicide, and Rodenticide Act, as amended. The 1966 estimates provide funds for its construction.

3. *Meat inspection.*—Federal meat inspection is required for all meat in interstate commerce and is conducted to assure a clean and wholesome meat supply for human consumption, free from adulteration, and truthfully labeled. The work includes inspection of animals, carcasses and meat, and meat-food products at various stages of handling and processing. Measures are enforced to insure informative labeling, and meats imported or exported are inspected. The estimates for 1966 include a proposed increase to meet increasing needs for Federal meat inspection.

Legislation will be proposed to place meat inspection on a self-supporting basis. A supplemental is therefore anticipated which would propose establishing a revolving fund of \$8,400 thousand and result in a reduction of \$27,305 thousand for this activity.

The volume of inspections and examinations is indicated by examples given in the following table:

	1962 actual	1963 actual	1964 actual
Number of establishments covered.....	1,511	1,590	1,679
Cities in which plants are located.....	623	672	702
Inspection of live animals.....	107,108,967	109,391,017	113,818,128
Post mortem inspections.....	107,104,052	109,385,402	113,811,900
Animals and carcasses condemned.....	283,969	265,829	279,941
Inspection of processed meat and meat-food products (million pounds).....	18,806	19,050	19,646

AGRICULTURAL RESEARCH SERVICE—Continued**General and special funds—Continued****SALARIES AND EXPENSES—Continued****Object Classification (in thousands of dollars)**

Identification code 05-04-1400-0-1-355	1964 actual	1965 estimate	1966 estimate
AGRICULTURAL RESEARCH SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	118,739	137,184	142,289
11.3 Positions other than permanent.....	5,099	6,490	5,834
11.5 Other personnel compensation.....	1,215	1,240	1,238
Total personnel compensation.....	125,054	144,914	149,361
12.0 Personnel benefits.....	9,450	10,998	11,353
21.0 Travel and transportation of persons.....	5,221	5,991	6,210
22.0 Transportation of things.....	915	1,112	1,136
23.0 Rent, communications, and utilities.....	3,778	4,163	4,194
24.0 Printing and reproduction.....	964	1,128	1,169
25.1 Other services.....	14,848	25,633	23,156
25.2 Services of other agencies.....	6,760	8,146	7,470
26.0 Supplies and materials.....	10,666	14,557	15,683
31.0 Equipment.....	7,817	12,387	12,908
32.0 Lands and structures.....	2,629	2,241	1,643
41.0 Grants, subsidies, and contributions:			
Grants for research.....	296	1,109	1,099
Payment to Mexican-United States Commission for the Prevention of Foot-and-Mouth Disease.....	26	25	25
42.0 Insurance claims and indemnities.....	15		
Indemnities:			
Tuberculosis.....	217	300	300
Brucellosis.....	1,435	1,400	1,400
Scrapie of sheep.....	413	250	165
Hog cholera.....	2	70	165
Claims—Federal Tort Claims Act.....	25		
Subtotal.....	190,531	234,424	237,437
95.0 Quarters and subsistence charges.....	—96	—97	—97
Total obligations, Agricultural Research Service.....	190,434	234,327	237,340
ALLOCATION ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....		60	80
11.3 Positions other than permanent.....		5	5
Total personnel compensation.....		65	85
12.0 Personnel benefits.....		5	7
21.0 Travel and transportation of persons.....		45	50
22.0 Transportation of things.....		1	1
23.0 Rent, communications, and utilities.....		4	4
24.0 Printing and reproduction.....		16	26
25.1 Other services.....	156	2,004	738
25.2 Services of other agencies.....		20	20
26.0 Supplies and materials.....		2	2
31.0 Equipment.....		5	1
32.0 Lands and structures.....	327	2,567	25,174
Total obligations, allocation accounts.....	483	4,734	26,108
99.0 Total obligations.....	190,917	239,061	263,448

Object Classification (in thousands of dollars)—Continued

Identification code 05-04-1400-0-1-355	1964 actual	1965 estimate	1966 estimate
Total obligations are distributed as follows:			
Agricultural Research Service.....	190,434	234,327	237,340
Office of the Secretary.....		250	250
General Services Administration.....	483	4,484	25,558

Personnel Summary

AGRICULTURAL RESEARCH SERVICE			
Total number of permanent positions.....	17,698	19,155	19,654
Full-time equivalent of other positions.....	1,223	1,484	1,353
Average number of employees.....	17,413	19,022	19,761
Average GS grade.....	8.1	8.3	8.2
Average GS salary.....	\$7,737	\$8,135	\$8,130
Average salary of ungraded positions.....	\$4,867	\$4,878	\$4,868
ALLOCATION TO OFFICE OF THE SECRETARY			
Total number of permanent positions.....	0	4	4
Full-time equivalent of other positions.....	0	0	2
Average number of employees.....	0	4	6
Average GS grade.....	0	7.9	7.9
Average GS salary.....	0	\$8,541	\$8,561

Proposed for separate transmittal:**SALARIES AND EXPENSES****Program and Financing (in thousands of dollars)**

Identification code 05-04-1400-1-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
10 Plant and animal disease and pest control: Animal disease and pest control (costs— obligations).....		550	
Financing:			
14 Receipts and reimbursements from: Non- Federal sources.....			—31,945
24 Unobligated balance available, end of year.....			4,640
40 New obligational authority (proposed supplemental appropriation).....		550	—27,305
New obligational authority:			
Proposed appropriation for revolving fund.....			8,400
Proposed reduction in current appropria- tion resulting from establishment of revolving fund.....			—35,705
Relation of obligations to expenditures:			
10 Total obligations.....		550	
70 Receipts and other offsets (items 11-17).....			—31,945
71 Obligations affecting expenditures.....		550	—31,945
72 Obligated balance, start of year.....			82
74 Obligated balance, end of year.....		—82	
90 Expenditures.....		468	—31,863

Under existing legislation, 1965.—A supplemental appropriation of \$550 thousand is anticipated in order to provide the Federal share needed to finance the cooperative screwworm eradication program in Texas, New Mexico, and States to the north and east. Funds are needed primarily to maintain an effective barrier zone of sterile screwworm flies in northern Mexico and along the international boundary through June 30, 1965. The artificial barrier zone of sterile screwworm flies requires the continuous production, irradiation and release of vast quantities of screwworm flies over a large area. Any cessation of program operations would immediately permit the migration of screwworms into screwworm-free areas of the United States where self-perpetuating native fly populations would be reestablished.

Under proposed legislation, 1966.—A reduction of \$35,705 thousand is anticipated for 1966 under legislation being proposed to place meat inspection on a self-supporting basis. In addition, the legislation would require an appropriation of \$8.4 million for establishing a revolving fund for reimbursement by meatpacking plants for inspection services rendered.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments, in foreign currencies, [which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704),] *owed to or owned by the United States* for market development research authorized by section 104(a) and for agricultural and forestry research and other functions related thereto authorized by section 104(k) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(a)(k)), to remain available until expended, [\$2,000,000] \$4,000,000: *Provided*, That this appropriation shall be available in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further*, That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this [paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses] *paragraph: Provided further*, That not to exceed \$25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a). (*Department of Agriculture and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code 05-04-1404-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Market development research (sec. 104(a))	2,297	3,200	4,500
2. Agricultural and forestry research (sec. 104(k))	2,554	4,455	5,470
3. Translation of scientific publications (sec. 104(k))		15	30
Total program costs, funded ¹	4,851	7,670	10,000
Change in selected resources ²	2,831	8,900	-6,000
10 Total obligations	7,681	16,570	4,000
Financing:			
21 Unobligated balance available, start of year	-21,001	-14,570	

Program and Financing (in thousands of dollars)—Continued

Identification code 05-04-1404-0-1-355	1964 actual	1965 estimate	1966 estimate
Financing—Continued			
24 Unobligated balance available, end of year	14,570		
40 New obligational authority (appropriation)	1,250	2,000	4,000
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures)	7,681	16,570	4,000
72 Obligated balance, start of year	13,952	16,825	26,565
74 Obligated balance, end of year	-16,825	-26,565	-22,255
90 Expenditures	4,808	6,830	8,310

¹ Includes capital outlay as follows: 1964, \$2 thousand; 1965, \$10 thousand; 1966, \$10 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$13,810 thousand; 1964, \$16,641 thousand; 1965, \$25,541 thousand; 1966, \$19,541 thousand.

Foreign currencies, generated by the sale of surplus agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954, are used by the Department for market development research under section 104(a) and for agricultural and forestry research under section 104(k) of the act. Work is carried on through agreements, in both basic and applied fields, by research institutions and organizations in foreign countries. This research serves to develop new foreign markets and to expand existing markets for agricultural commodities, including cotton, dairy products, fats and oils, grain, feed, livestock and meat, poultry, fruits and vegetables, and tobacco. It also provides for supplementary research on farm, forest, marketing, utilization, agricultural economics, and human nutrition problems, and for translations of foreign language scientific publications. The appropriation proposed for 1966 will be used to purchase only those currencies determined to be excess to the normal requirements of the United States. Total estimated cost in U.S. dollars (charged to regular appropriations) for the initiation and supervision of projects in 1966 is \$325 thousand.

Object Classification (in thousands of dollars)

Identification code 05-04-1404-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions	62	67	71
11.3 Positions other than permanent	1	3	3
11.5 Other personnel compensation	6	6	6
Total personnel compensation	69	76	80
12.0 Personnel benefits	16	16	16
21.0 Travel and transportation of persons	71	98	110
22.0 Transportation of things	3	15	5
23.0 Rent, communications, and utilities	11	18	18
25.1 Other services	20	10	10
25.2 Services of other agencies	44	60	67
26.0 Supplies and materials	2	13	9
31.0 Equipment	2	10	10
41.0 Grants, subsidies, and contributions	7,443	16,254	3,675
99.0 Total obligations	7,681	16,570	4,000

AGRICULTURAL RESEARCH SERVICE—Continued**General and special funds—Continued****SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)—Continued****Personnel Summary**

	1964 actual	1965 estimate	1966 estimate
Total number of permanent positions.....	18	19	19
Full-time equivalent of other positions.....	1	1	1
Average number of all employees.....	19	20	20
Average GS grade.....	8.1	8.3	8.2
Average GS salary.....	\$7,737	\$8,135	\$8,130
Average salary of ungraded positions.....	\$4,867	\$4,878	\$4,868

CONSTRUCTION OF FACILITIES**Program and Financing (in thousands of dollars)**

Identification code 05-04-1405-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Construction of facilities (program costs, funded).....	1,131	784	367
Change in selected resources ¹	-316	-57	-367
10 Total obligations.....	815	727	
Financing:			
21 Unobligated balance available, start of year.....	-1,565	-749	
24 Unobligated balance available, end of year.....	749		
25 Unobligated balance lapsing.....		22	
New obligatory authority.....			
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	815	727	
72 Obligated balance, start of year.....	1,388	537	367
74 Obligated balance, end of year.....	-537	-367	
90 Expenditures.....	1,667	897	367

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$740 thousand; 1964, \$424 thousand; 1965, \$367 thousand; 1966, \$0.

Funds were appropriated in 1961 and 1962 for construction of facilities for research at a number of locations. With the awarding of the contract in 1965 for the laboratory for research on biological control of insects at Columbia, Mo., all the facilities authorized by this appropriation will be provided.

Object Classification (in thousands of dollars)

Identification code 05-04-1405-0-1-355	1964 actual	1965 estimate	1966 estimate
AGRICULTURAL RESEARCH SERVICE			
25.1 Other services.....	1		
25.2 Services of other agencies.....	52	4	
31.0 Equipment.....	62		
32.0 Lands and structures.....	69	124	
Total obligations, Agricultural Research Service.....	184	128	

Object Classification (in thousands of dollars)—Continued

Identification code 05-04-1405-0-1-355	1964 actual	1965 estimate	1966 estimate
GENERAL SERVICES ADMINISTRATION			
21.0 Travel and transportation of persons.....		2	
24.0 Printing and reproduction.....		1	
25.1 Other services.....	15	33	
32.0 Lands and structures.....	616	563	
Total obligations, General Services Administration.....	631	599	
99.0 Total obligations.....	815	727	

ANIMAL DISEASE LABORATORY FACILITIES**Program and Financing (in thousands of dollars)**

Identification code 05-04-1426-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Facility for animal disease research and control (program costs, funded).....	72	48	
Change in selected resources ¹	-40	-36	
10 Total obligations.....	32	12	
Financing:			
21 Unobligated balance available, start of year.....	-44	-12	
24 Unobligated balance available, end of year.....	12		
New obligatory authority.....			
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	32	12	
72 Obligated balance, start of year.....	106	80	
74 Obligated balance, end of year.....	-80		
90 Expenditures.....	56	93	

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$76 thousand; 1964, \$36 thousand; 1965, \$0 thousand.

In previous years, \$16.5 million had been provided for establishment of animal disease research and control laboratory facilities. Construction of the facilities at Ames, Iowa, was started in August 1958. The principal laboratory buildings were completed in fiscal year 1961. Minor construction through fiscal year 1965 will complete the installation under this appropriation.

Object Classification (in thousands of dollars)

Identification code 05-04-1426-0-1-355	1964 actual	1965 estimate	1966 estimate
25.1 Other services.....	3		
32.0 Lands and structures.....	28	12	
99.0 Total obligations.....	32	12	

CONSOLIDATED SCHEDULE—EXPIRED ACCOUNTS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-04-9998-0-1-355			
Relation of obligations to expenditures:			
72 Obligated balance, start of year.....	17	14	
74 Obligated balance, end of year.....	-14		
77 Adjustment in expired accounts.....	-3		
90 Expenditures.....	1	14	
Distribution of expenditures by account title is as follows:			
State Experiment Stations.....	1		
Diseases of Animals and Poultry.....		13	
Research on Strategic and Critical Agri- cultural Materials.....		1	

ESTABLISHMENT OF AN ENTOMOLOGY RESEARCH LABORATORY

(Permanent, indefinite, special fund):

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-04-5223-0-2-355			
Relation of obligations to expenditures:			
72 Obligated balance, start of year.....	10	3	
74 Obligated balance, end of year.....	-3		
90 Expenditures.....	7	3	

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations, as follows:
 Funds appropriated to the President: "Economic assistance."
 "Translation of publications and scientific cooperation."
 United States educational exchange program, "United States dollars advanced from foreign governments."

Intragovernmental funds:

WORKING CAPITAL FUND, AGRICULTURAL RESEARCH CENTER

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-04-4606-0-4-355			
Program by activities:			
Operating costs, funded: Maintenance and operation of central facilities and services:			
Cost of materials sold or applied.....	1,194	1,438	1,489
Other expense.....	3,097	3,379	3,470
Total operating costs, funded.....	4,291	4,817	4,959
Capital outlay: Purchase of equipment.....	57	53	53
Total program costs, funded.....	4,348	4,870	5,012
Change in selected resources ¹	-7		
10 Total obligations.....	4,341	4,870	5,012
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts:			
Sale of goods and service.....	-4,328	-4,855	-4,997
Other revenue.....	-15	-15	-15
Change in unfilled customers orders.....	-32		
14 Non-Federal sources: Proceeds from sale of equipment.....	-1		
21.98 Unobligated balance available, start of year.....	-788	-823	-823

Program and Financing (in thousands of dollars)—Continued

Identification code	1964 actual	1965 estimate	1966 estimate
05-04-4606-0-4-355			
Financing—Continued			
24.98 Unobligated balance available, end of year.....	823	823	823
New obligational authority			
Relation of obligations to expenditures:			
10 Total obligations.....	4,341	4,870	5,012
70 Receipts and other offsets (items 11-17).....	-4,376	-4,870	-5,012
71 Obligations affecting expenditures.....	-35		
72.98 Receivables in excess of obligations, start of year.....	-419	-440	-440
74.98 Receivables in excess of obligations, end of year.....	440	440	440
90 Expenditures.....	-14		

¹ Balances of selected resources are identified on the statement of financial condition.

This fund finances, on a reimbursable basis, central facilities and services furnished to agencies at the Agricultural Research Center (64 Stat. 658). The capital consists of \$300 thousand appropriated in 1951 and donated assets of \$291 thousand as of June 30, 1964. Earnings are retained to furnish adequate working capital.

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Revenue.....	4,343	4,870	5,012
Expense.....	4,340	4,870	5,012
Net operating income.....	2		
Nonoperating income:			
Proceeds from sale of equipment.....	1		
Net book value of assets sold.....	-1		
Net nonoperating income.....			
Net income for the year.....	2		
Retained earnings, start of year.....	42	44	44
Retained earnings, end of year.....	44	44	44

Financial Condition (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Treasury balance.....	369	383	383	383
Accounts receivable, net.....	525	415	415	415
Materials and supplies ¹	107	88	88	88
Equipment, net.....	247	261	261	261
Total assets.....	1,248	1,146	1,147	1,147
Liabilities:				
Current.....	622	512	512	512
Government equity:				
Non-interest-bearing capital:				
Start of year.....	579	584	591	591
Donated capital during year.....	5	7		
End of year.....	584	591	591	591
Retained earnings.....	42	44	44	44
Total Government equity.....	625	635	635	635

¹ The changes in these items are reflected on the program and financing schedule.

AGRICULTURAL RESEARCH SERVICE—Continued

Intragovernmental funds—Continued

WORKING CAPITAL FUND, AGRICULTURAL RESEARCH
CENTER—Continued

Analysis of Government Equity (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Unpaid undelivered orders ¹	185	196	196	196
Unobligated balance.....	788	823	823	823
Unfilled customers orders.....	-701	-733	-733	-733
Invested capital and earnings.....	354	349	349	349
Total Government equity.....	625	635	635	635

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code 05-04-4606-0-4-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	1,920	1,942	1,959
11.3 Positions other than permanent.....	379	609	680
11.5 Other personnel compensation.....	53	79	79
Total personnel compensation.....	2,351	2,630	2,718
12.0 Personnel benefits.....	174	192	195
22.0 Transportation of things.....	8	8	8
23.0 Rent, communications, and utilities.....	461	465	465
24.0 Printing and reproduction.....	1	1	1
25.1 Other services.....	80	80	80
25.2 Services of other agencies.....	3	3	3
26.0 Supplies and materials.....	1,207	1,438	1,489
31.0 Equipment.....	54	53	53
42.0 Insurance claims and indemnities.....	1		
99.0 Total obligations.....	4,341	4,870	5,012

Personnel Summary

Total number of permanent positions.....	355	333	333
Full-time equivalent of other positions.....	84	127	137
Average number of all employees.....	408	444	454
Average GS grade.....	8.1	8.3	8.2
Average GS salary.....	\$7,737	\$8,135	\$8,130
Average salary of ungraded positions.....	\$4,867	\$4,878	\$4,868

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-04-3914-0-4-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Research.....	2,448	6,832	1,918
2. Plant and animal disease and pest control.....	1,058	979	979
3. Meat inspection.....	10,189	9,920	9,920
4. Technical assistance: Department of Commerce.....	120	70	
5. Construction of facilities.....		1,094	4,500
6. Miscellaneous services to other accounts.....	117	791	791
Total program costs, funded ¹	13,932	19,686	18,108
Change in selected resources ²	4,636	-33	-397
10 Total obligations.....	18,568	19,653	17,711

Program and Financing (in thousands of dollars)—Continued

Identification code 05-04-3914-0-4-355	1964 actual	1965 estimate	1966 estimate
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts.....	-8,064	-8,888	-6,936
13 Trust fund accounts.....	-2,076	-2,205	-2,205
14 Non-Federal sources ³	-8,428	-8,560	-8,570
New obligatory authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	18,568	19,653	17,711
70 Receipts and other offsets (items 11-17).....	-18,568	-19,653	-17,711
71 Obligations affecting expenditures.....			
90 Expenditures.....			

¹ Includes capital outlay as follows: 1964, \$2 thousand; 1965, \$6,675 thousand; 1966, \$4,218 thousand.² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$561 thousand (1964 adjustment, -\$366 thousand); 1964, \$4,831 thousand; 1965, \$4,798 thousand; 1966, \$4,401 thousand.³ Reimbursements from non-Federal sources above are from proceeds of sales of charts (7 U.S.C. 1387) and personal property (40 U.S.C. 481 (c)); from payments by non-Federal agencies for overtime work and travel performed at meatpacking establishments and veterinary biological establishments and for inspection and quarantine services (5 U.S.C. 576; 7 U.S.C. 394, 396); from cooperating State, county, municipal, and private organizations for soil and water conservation work (16 U.S.C. 590a); and from refunds of terminal leave payments (5 U.S.C. 61 (b)).

Object Classification (in thousands of dollars)

Identification code 05-04-3914-0-4-355	1964 actual	1965 estimate	1966 estimate
AGRICULTURAL RESEARCH SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	4,187	4,080	3,982
11.3 Positions other than permanent.....	112	100	107
11.5 Other personnel compensation.....	7,102	7,611	7,612
Total personnel compensation.....	11,400	11,791	11,701
12.0 Personnel benefits.....	307	302	296
21.0 Travel and transportation of persons.....	362	390	368
22.0 Transportation of things.....	50	63	61
23.0 Rent, communications, and utilities.....	128	170	163
24.0 Printing and reproduction.....	38	50	48
25.1 Other services.....	3,029	220	91
25.2 Services of other agencies.....	285	183	181
26.0 Supplies and materials.....	478	463	457
31.0 Equipment.....	1,137	280	242
32.0 Lands and structures.....	33	874	
41.0 Grants, subsidies, and contributions.....	1,240		
Total obligations, Agricultural Research Service.....	18,488	14,786	13,608
GENERAL SERVICES ADMINISTRATION			
21.0 Travel and transportation of persons.....		6	3
24.0 Printing and reproduction.....		23	10
25.1 Other services.....	80	485	114
32.0 Lands and structures.....		4,353	3,976
Total obligations, General Services Administration.....	80	4,867	4,103
99.0 Total obligations.....	18,568	19,653	17,711

Personnel Summary

Total number of permanent positions.....	587	535	517
Full-time equivalent of other positions.....	22	19	21
Average number of all employees.....	591	536	523
Average GS grade.....	8.1	8.3	8.2
Average GS salary.....	\$7,737	\$8,135	\$8,130
Average salary of ungraded positions.....	\$4,867	\$4,878	\$4,868

COOPERATIVE STATE RESEARCH SERVICE

General and special funds:

PAYMENTS AND EXPENSES

For payments to agricultural experiment stations, for grants for cooperative forestry research, for basic scientific research, and for facilities, and for other expenses, including [\$45,113,000] \$47,113,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture; [\$1,000,000] \$2,000,000 for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7); \$600,000 in addition to funds otherwise available, and not to exceed \$400,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 to be transferred and merged with this appropriation, for grants for support of basic scientific research under the Act approved September 6, 1958 (42 U.S.C. 1891-1893); [\$3,242,000] \$2,000,000 for grants for facilities under the Act approved July 22, 1963 (77 Stat. 90); \$310,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; and [\$267,000] \$344,000 for necessary expenses of the Cooperative State Research Service, including administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed [\$30,000] \$50,000 for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); in all, [\$49,932,000] \$52,367,000. (5 U.S.C. 511-512, 563-564; 39 U.S.C. 321q; 77 Stat. 826; 78 Stat. 868; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-08-1500-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Payments to agricultural experiment stations:			
(a) Agricultural research under the Hatch Act.....	38,406	43,983	45,923
(b) Marketing research under the Agricultural Marketing Act.....	500		
2. Grants for cooperative forestry research.....	1,000	1,000	2,000
3. Grants for basic scientific research.....	1,500	400	1,000
4. Grants for facilities.....		3,242	2,000
5. Federal administration.....	1,202	1,462	1,534
6. Penalty mail.....	310	310	310
Total program costs, funded ¹	42,918	50,397	52,767
Change in selected resources ²	-26		
10 Total obligations.....	42,892	50,397	52,767
Financing:			
16 Comparative transfers from other accounts.....	-1,299	-400	
25 Unobligated balance lapsing.....	38		
New obligational authority.....	41,631	49,997	52,767
New obligational authority:			
Current authorization:			
40 Appropriation.....	41,633	49,932	52,367
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655).....	-2	-2	
43 Appropriation (adjusted).....	41,631	49,930	52,367
46 Proposed transfer from "Cooperative extension work, payments and expenses" due to civilian pay increases.....		67	
Permanent authorization:			
60 Appropriation.....	0	0	0
62 Transferred from "Removal of surplus agricultural commodities" (annual appropriation act).....			400
63 Appropriation (adjusted).....			400

Program and Financing (in thousands of dollars)—Continued

Identification code 05-08-1500-0-1-355	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
10 Total obligations.....	42,892	50,397	52,767
70 Receipts and other offsets (items 11-17).....	-1,299	-400	
71 Obligations affecting expenditures.....	41,593	49,997	52,767
72 Obligated balance, start of year.....	247	203	207
74 Obligated balance, end of year.....	-203	-207	-520
77 Adjustments in expired accounts.....	-24		
90 Expenditures.....	41,614	49,993	52,454

¹ Includes capital outlay as follows: 1964, \$25 thousand; 1965, \$18 thousand; 1966, \$29 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$68 thousand (1964 adjustments, -\$23 thousand); 1964, \$19 thousand; 1965, \$19 thousand; 1966, \$19 thousand.

The Service administers funds for payments and grants to State agricultural experiment stations and other eligible institutions for the support of research in agriculture, the rural home, rural life, and forestry. This administration involves supervision of the funds, close advisory relations with the State experiment stations, and participation in the planning and coordination of research programs between the States and the U.S. Department of Agriculture.

1. *Payments to agricultural experiment stations—(a) Agricultural research under the Hatch Act.*—Grants under the Hatch Act are allocated to agricultural experiment stations of the land-grant colleges in the 50 States and Puerto Rico for agricultural research, including investigations and experiments to promote a permanent and efficient agricultural industry and improvements in the rural home and rural life. The States are contributing \$3.70 for each dollar paid by the Federal Government. A \$2 million increase is proposed to strengthen the cooperative program at the agricultural experiment stations.

(b) *Marketing research under the Agricultural Marketing Act.*—Payments to the States are authorized under sec. 204(b) of the Agricultural Marketing Act of 1946. The act requires that the Federal funds disbursed to States be matched project for project from non-Federal sources for marketing research. No funds are proposed for this purpose in 1966.

2. *Grants for cooperative forestry research.*—These grants are allocated to land-grant colleges or agricultural experiment stations in the 50 States and Puerto Rico and other State-supported colleges and universities offering graduate training in the sciences basic to forestry and having a forestry school. An increase of \$1 million is proposed to accelerate the forestry research program. The act requires that the Federal funds paid to each institution be matched by funds from non-Federal sources for forestry research.

3. *Grants for basic scientific research.*—An increase of \$600 thousand is also proposed for the program of grants for support of basic scientific research to nonprofit institutions of higher education, or nonprofit organizations whose primary purpose is the conduct of such research.

4. *Grants for facilities.*—These grants to provide additional facilities for research are allocated to State agricultural experiment stations in the 50 States and Puerto Rico. Assistance is available to the States for construction, acquisition, and remodeling of buildings, laboratories, and other capital facilities which are necessary to more effectively conduct research in agriculture and sciences related thereto. The Federal funds are provided on a matching basis.

COOPERATIVE STATE RESEARCH SERVICE— Continued

General and special funds—Continued

PAYMENTS AND EXPENSES—continued

5. *Federal administration.*—A coordinating and review staff is maintained to examine research projects and assist State institutions and Federal agencies. An increase of \$12 thousand is proposed to partially defray the additional personnel costs in administering the recently acquired programs, (1) cooperative forestry research, (2) research facilities, and (3) grants for basic scientific research.

6. *Penalty mail.*—Funds to cover the cost of penalty mailings for State experiment station directors are provided under this appropriation.

The planned distribution of these payments to State agricultural experiment stations and other eligible institutions under the above-mentioned programs is as follows (in thousands of dollars):

Hatch Act (statutory formula).....	36,009
Hatch Act (regional research fund).....	9,914
Grants for cooperative forestry research.....	2,000
Grants for basic scientific research.....	1,000
Grants for facilities (statutory formula).....	2,000
Total.....	50,923

Object Classification (in thousands of dollars)

Identification code 05-08-1500-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	881	1,030	1,057
11.3 Positions other than permanent.....	38	5	5
11.5 Other personnel compensation.....	1	10	10
Total personnel compensation.....	920	1,045	1,072
12.0 Personnel benefits.....	65	79	81
21.0 Travel and transportation of persons.....	127	153	159
22.0 Transportation of things.....	1	10	15
23.0 Rent, communications, and utilities.....	325	325	335
24.0 Printing and reproduction.....	8	30	40
25.1 Other services.....	23	50	50
25.2 Services of other agencies.....	13	56	46
26.0 Supplies and materials.....	7	16	20
31.0 Equipment.....	15	18	26
41.0 Grants, subsidies, and contributions.....	41,388	48,615	50,923
99.0 Total obligations.....	42,892	50,397	52,767

Personnel Summary

Total number of permanent positions.....	105	117	123
Full-time equivalent of other positions.....	3	3	3
Average number of all employees.....	91	101	105
Average GS grade.....	9.4	9.4	9.3
Average GS salary.....	\$9,865	\$10,391	\$10,380

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations. Funds appropriated to the President. "Economic assistance."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-08-3975-0-4-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
10 Miscellaneous services to other accounts (costs—obligations) (object class 11.1)	6	6	6
Financing:			
11 Receipts and reimbursements from: Ad- ministrative budget accounts.....	—6	—6	—6
New obligational authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	6	6	6
70 Receipts and other offsets (items 11-17)...	—6	—6	—6
71 Obligations affecting expenditures.....			
90 Expenditures.....			

EXTENSION SERVICE

General and special funds:

COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Payments to States and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341-349), **[\$70,530,000]** \$71,230,000; and payments and contracts for such work under section 204(b)-205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,570,000; in all, **[\$72,100,000]** \$72,800,000: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, shall not be paid to any State or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Retirement and Employees' Compensation costs for extension agents: For cost of employer's share of Federal retirement and for reimbursement for benefits paid from the Employees' Compensation Fund for cooperative extension employees, **[\$7,510,000]** \$7,857,000.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$3,113,000.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341-349), and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, **[\$2,451,000]** \$2,565,000. (5 U.S.C. 785; 39 U.S.C. 321i, 321n, 321p-q; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-12-0502-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Payments to States and Puerto Rico:			
(a) Payments for cooperative agricul- tural extension work under Smith-Lever Act.....	65,009	69,933	70,814
(b) Payments and contracts under the Agricultural Marketing Act....	1,539	1,628	1,654

Program and Financing (in thousands of dollars)—Continued

Identification code 05-12-0502-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities—Continued			
2. Retirement and employees' compensation costs for extension agents.....	7,020	7,510	7,857
3. Penalty mail.....	3,113	3,113	3,113
4. Federal Extension Service.....	2,748	2,987	2,981
Total program costs, funded ¹	79,430	85,171	86,419
Change in selected resources ²	8	-64	-84
10 Total obligations.....	79,438	85,107	86,335
Financing:			
11 Receipts and reimbursements from Administrative budget accounts: Emergency preparedness functions.....	-40		
16 Comparative transfers to other accounts.....	97		
25 Unobligated balance lapsing.....	686		
New obligational authority.....	80,180	85,107	86,335
New obligational authority:			
40 Appropriation.....	80,180	85,174	86,335
45 Proposed transfer to "Payments and expenses," Cooperative State Research Service, due to civilian pay increases.....		-67	
Relation of obligations to expenditures:			
10 Total obligations.....	79,438	85,107	86,335
70 Receipts and other offsets (items 11-17).....	57		
71 Obligations affecting expenditures.....	79,495	85,107	86,335
72 Obligated balance, start of year.....	1,725	1,797	1,564
74 Obligated balance, end of year.....	-1,797	-1,564	-1,508
77 Adjustments in expired accounts.....	-6		
90 Expenditures.....	79,417	85,340	86,391

¹ Includes capital outlay as follows: 1964, \$22 thousand; 1965, \$18 thousand; 1966, \$15 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964 adjust- ments	1964	1965	1966
Unpaid undelivered orders.....	239	-6	241	167	92
Advances.....	36		36	46	37
Total selected resources.....	275	-6	277	213	129

The primary function of the nationwide system of cooperative extension work is out-of-school applied education in agriculture, home economics, and related subjects. This educational work takes research results, technological advancements, and situation and program facts of the Department of Agriculture, the State agricultural colleges and experiment stations, and incorporates them into a national educational program for action. Its objective is to provide farm people and others with information and assistance upon which they may make social and economic adjustments necessary for an efficient agricultural industry and improved rural homes and rural life.

1. *Payments to States and Puerto Rico.*—Funds appropriated under the Smith-Lever Act for payments to States and Puerto Rico are distributed primarily on the basis of farm and rural population and to a limited degree on the basis of special problems and needs. Funds appropriated under the Agricultural Marketing Act for educational work in marketing are distributed to the States and Puerto Rico on a matching basis under approved projects and on the basis of contracts. Funds are used primarily for the employment of State and county extension workers who work with rural families, marketing concerns, and others

by providing advice and assistance in the application of improved methods involved in production, marketing, and family living. They assist local leadership to determine extension programs of work. Work with youth is accomplished largely through 4-H clubs. Funds also provide for Federal program support. Extension agents are paid from Federal, State, and county sources.

The increase will be allocated to the States to employ area agents who will work with organized groups on resource development problems of communities.

2. *Retirement and employees' compensation costs for extension agents.*—The increase proposed is required to meet these costs for cooperative extension agents. The mandatory retirement contribution is authorized under Public Law 854, approved July 31, 1956. The employer's contribution to the Federal retirement fund, to match contributions of these agents, is provided by this Federal appropriation. An increase of \$29,825 provides an amount equal to the benefits received by the cooperative agents to be paid to the Employees' Compensation Fund, as required by Public Law 86-767 (approved Sept. 13, 1960.)

3. *Penalty mail.*—Funds to cover the cost of penalty mailings for State extension directors and cooperative extension agents in the States are provided under this appropriation.

4. *Federal Extension Service.*—The Federal Extension Service provides leadership, counsel, and assistance to the States and Puerto Rico in developing extension programs, improved teaching methods, efficient use of available resources, evaluation of programs, inservice training for extension personnel, and administrative services. The Federal Extension Service also coordinates the educational activities of other U.S. Department of Agriculture agencies.

Object Classification (in thousands of dollars)

Identification code 05-12-0502-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	1,887	2,128	2,193
11.3 Positions other than permanent.....	28	10	10
11.5 Other personnel compensation.....	16	9	9
Total personnel compensation.....	1,931	2,147	2,212
12.0 Personnel benefits.....	7,161	7,669	8,021
21.0 Travel and transportation of persons.....	216	242	260
22.0 Transportation of things.....	38	43	50
23.0 Rent, communications, and utilities.....	3,170	3,178	3,181
24.0 Printing and reproduction.....	95	97	104
25.1 Other services.....	290	238	128
25.2 Services of other agencies.....	63	25	25
26.0 Supplies and materials.....	25	22	27
31.0 Equipment.....	19	18	18
41.0 Grants, subsidies, and contributions.....	66,430	71,428	72,309
99.0 Total obligations.....	79,438	85,107	86,335

Personnel Summary

Total number of permanent positions.....	239	244	241
Full-time equivalent of other positions.....	4	2	2
Average number of all employees.....	219	228	230
Average GS grade.....	8.9	9.0	9.0
Average GS salary.....	\$9,089	\$9,804	\$9,902

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation. Funds appropriated to the President, "Economic assistance."

EXTENSION SERVICE—Continued**Intragovernmental funds:****ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

Identification code 05-12-3905-0-4-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Cooperation with Bureau of Indian Affairs on extension program with Indians.....	44	47	47
2. Assistance to agricultural stabilization and conservation committees and the Commodity Credit Corporation loan program in Alaska.....	4	4	4
3. To carry out Extension Service responsibilities and authorities delegated under Area Redevelopment Act (Department of Commerce).....	80	83	83
4. Cooperation with Department of Defense on extension program work in Rural Defense Information and Education program.....	1,305	1,374	1,375
5. Cooperation with the Office of Rural Areas Development on work of equal opportunities group.....	7		
6. Miscellaneous services to other accounts.....	23	7	5
Total program costs ¹	1,463	1,515	1,514
Change in selected resources ²	28	3	
10 Total obligations.....	1,491	1,518	1,514
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts.....	-1,524	-1,513	-1,509
14 Non-Federal sources ³	-11	-5	-5
17 Recovery of prior year obligations.....	-15		
25.98 Unobligated balance lapsing.....	59		
New obligational authority			
Relation of obligations to expenditures:			
10 Total obligations.....	1,491	1,518	1,514
70 Receipts and other offsets (items 11-17).....	-1,550	-1,518	-1,514
71 Obligations affecting expenditures.....	-59		
72.98 Obligated balance, start of year.....	117	74	74
74.98 Obligated balance, end of year.....	-74	-74	-74
90 Expenditures.....	-15		

¹ Includes capital outlay as follows: 1964, \$1 thousand; 1965, \$0; 1966, \$0.
² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$51 thousand (1964 adjustments, -\$15 thousand); 1964, \$64 thousand; 1965, \$67 thousand; 1966, \$67 thousand.
³ Reimbursements are from cooperating State extension services for teaching materials developed and provided on a cost-sharing basis (5 U.S.C. 563, 564).

Object Classification (in thousands of dollars)

Identification code 05-12-3905-0-4-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	236	224	225
11.3 Positions other than permanent.....	1		
11.5 Other personnel compensation.....	1	1	1
Total personnel compensation.....	238	225	226
12.0 Personnel benefits.....	16	17	17
21.0 Travel and transportation of persons.....	40	31	29
22.0 Transportation of things.....	1	1	1
23.0 Rent, communications, and utilities.....	8	7	7
24.0 Printing and reproduction.....	56	82	82
25.1 Other services.....	13	59	56
25.2 Services of other agencies.....	36	60	60
26.0 Supplies and materials.....	15	12	12
31.0 Equipment.....	2		

Object Classification (in thousands of dollars)—Continued

Identification code 05-12-3905-0-4-355	1964 actual	1965 estimate	1966 estimate
41.0 Grants, subsidies, and contributions.....	1,067	1,024	1,024
99.0 Total obligations.....	1,491	1,518	1,514

Personnel Summary

Total number of permanent positions.....	25	20	19
Average number of all employees.....	23	20	19
Average GS grade.....	8.9	9.0	9.0
Average GS salary.....	\$9,089	\$9,804	\$9,902

FARMER COOPERATIVE SERVICE**SALARIES AND EXPENSES**

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), and for conducting research relating to the economic and marketing aspects of farmer cooperatives, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), **[\$1,102,000] \$1,241,000.** (Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-16-0400-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Research and technical assistance for farmer cooperatives (program costs, funded) ¹	1,015	1,141	1,241
Change in selected resources ²	38		
10 Total obligations.....	1,053	1,141	1,241
Financing:			
16 Comparative transfers to other accounts.....	141		
25 Unobligated balance lapsing.....	8		
New obligational authority	1,201	1,141	1,241
New obligational authority:			
40 Appropriation.....	1,201	1,102	1,241
44 Proposed supplemental due to civilian pay increases.....		39	
Relation of obligations to expenditures:			
10 Total obligations.....	1,053	1,141	1,241
70 Receipts and other offsets (items 11-17).....	141		
71 Obligations affecting expenditures.....	1,194	1,141	1,241
72 Obligated balance, start of year.....	67	115	136
74 Obligated balance, end of year.....	-115	-136	-151
77 Adjustments in expired accounts.....	-4		
90 Expenditures excluding pay increase supplemental.....	1,141	1,083	1,224
91 Expenditures from civilian pay increase supplemental.....		37	2

¹ Includes capital outlay as follows: 1964, \$2 thousand; 1965, \$2 thousand; 1966, \$4 thousand.
² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$0; 1964, \$38 thousand; 1965, \$38 thousand; 1966, \$38 thousand.

The Farmer Cooperative Service provides research, advisory, and educational assistance to farmers' marketing, purchasing, and service cooperatives. Attention is directed to problems of organization, membership, financing, efficiency, processing, distribution, pricing, selling,

and transportation of farm products by farmer cooperatives. Much of this work is carried on in cooperation with land-grant colleges, the Extension Service, and other Federal and State agencies.

The proposed 1966 increase will help the Farmer Cooperative Service to more adequately assist farmers in using their cooperatives as a means of improving farm income and preserving the family farm.

Object Classification (in thousands of dollars)

Identification code 05-16-0400-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	783	872	939
11.5 Other personnel compensation.....	1	1	1
Total personnel compensation.....	784	873	940
12.0 Personnel benefits.....	59	66	71
21.0 Travel and transportation of persons.....	47	50	54
22.0 Transportation of things.....	1	1	1
23.0 Rent, communications, and utilities.....	28	29	31
24.0 Printing and reproduction.....	55	55	61
25.1 Other services.....	33	10	12
25.2 Services of other agencies.....	37	48	58
26.0 Supplies and materials.....	6	6	7
31.0 Equipment.....	4	3	6
99.0 Total obligations.....	1,053	1,141	1,241

Personnel Summary

Total number of permanent positions.....	101	103	114
Average number of all employees.....	88	89	97
Average GS grade.....	9.3	9.3	9.3
Average GS salary.....	\$8,971	\$9,397	\$9,406

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation, Funds appropriated to the President, "Economic assistance."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-16-3904-0-4-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Research and technical assistance for farmer cooperatives.....	8	13	13
2. Area Redevelopment Act, Department of Commerce.....	20	11	-----
Total program costs, funded.....	28	24	13
Change in selected resources ¹	37	-----	-----
10 Total obligations.....	65	24	13
Financing:			
11 Receipts and reimbursements from: Administrative budget accounts.....	-65	-24	-13
New obligatory authority.....	-----	-----	-----
Relation of obligations to expenditures:			
10 Total obligations.....	65	24	13
70 Receipts and other offsets (items 11-17).....	-65	-24	-13
71 Obligations affecting expenditures.....	-----	-----	-----
72.98 Obligated balance, start of year.....	110	35	-----

Program and Financing (in thousands of dollars)—Continued

Identification code 05-16-3904-0-4-355	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures—Continued			
74.98 Obligated balance, end of year.....	-35	-----	-----
77 Adjustments in expired accounts.....	-2	-----	-----
90 Expenditures.....	72	35	-----

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$1 thousand; 1964, \$38 thousand; 1965, \$38 thousand; 1966, \$38 thousand.

Object Classification (in thousands of dollars)

Identification code 05-16-3904-0-4-355	1964 actual	1965 estimate	1966 estimate
11.1 Personnel compensation: Permanent positions.....	23	19	9
12.0 Personnel benefits.....	2	1	1
21.0 Travel and transportation of persons.....	1	-----	-----
23.0 Rent, communications, and utilities.....	1	-----	-----
24.0 Printing and reproduction.....	1	1	1
25.1 Other services.....	38	-----	-----
25.2 Services of other agencies.....	-----	3	2
99.0 Total obligations.....	65	24	13

Personnel Summary

Total number of permanent positions.....	2	2	1
Average number of all employees.....	2	2	1
Average GS grade.....	9.3	9.3	9.3
Average GS salary.....	\$8,971	\$9,397	\$9,406

SOIL CONSERVATION SERVICE

The Soil Conservation Service is responsible for various soil and water conservation activities of the Department of Agriculture, including six action programs for which separate appropriations are made, reimbursements from other agencies for technical services performed, trust funds, and miscellaneous accounts involving cooperative agreements with local organizations. The primary purpose of these program operations is to help farmers, ranchers, and other landowners in making needed land use adjustments; to conserve soil, water, and plant resources; to reduce the hazards of floods, sedimentation and related damages; and to assist in establishing a permanent and economically sound agriculture. These activities are conducted in cooperation with Federal and State agencies, locally managed soil conservation districts, and other sponsoring organizations.

The Service provides professional leadership in soil, water, and plant conservation and works directly with locally managed soil conservation districts and sponsors of watershed projects on local programs and cooperative work plans which are of benefit to rural and urban people in their areas.

The Service also furnishes technical services for the Agricultural Conservation program; the soil and water conservation loans made by the Farmers Home Administration; the State and county Rural Areas Development committees; and other agencies or local groups having soil and water conservation problems. These interrelated program activities are primarily for the conservation, protection, and improvement of land and water resources for the beneficial uses of all the people.

SOIL CONSERVATION SERVICE—Continued

General and special funds:

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soil; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, **[\$100,511,000] \$104,103,000: Provided,** That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for one building to be constructed at a cost not to exceed \$25,000 and eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further,* That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further,* That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f), in demonstration projects: *Provided further,* That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$5,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further,* That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service. (5 U.S.C. 511-512, 565a; 7 U.S.C. 1387, 1807; 16 U.S.C. 590g-1; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-20-1000-0-1-354	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Assistance to soil conservation districts, communities, and other cooperators (program costs, funded) ¹	95,952	104,233	104,103
Changes in selected resources ²	560	-----	-----
10 Total obligations.....	96,512	104,233	104,103
Financing:			
16 Comparative transfers to other accounts.....	115	-----	-----
25 Unobligated balance lapsing.....	1,223	-----	-----
New obligational authority.....	97,850	104,233	104,103
New obligational authority:			
40 Appropriation.....	98,339	100,511	104,103
41 Transferred to "Operating expenses, Public Buildings Service", General Services Administration (77 Stat. 436 and 78 Stat. 655).....	-489	-328	-----
43 Appropriation (adjusted).....	97,850	100,183	104,103
44 Proposed supplemental due to civilian pay increases.....	-----	4,050	-----
Relation of obligations to expenditures:			
10 Total obligations.....	96,512	104,233	104,103
70 Receipts and other offsets (items 11-17).....	115	-----	-----
71 Obligations affecting expenditures.....	96,627	104,233	104,103
72 Obligated balance, start of year.....	6,553	7,135	7,796
74 Obligated balance, end of year.....	-7,135	-7,796	-7,899

Program and Financing (in thousands of dollars)—Continued

Identification code 05-20-1000-0-1-354	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures—Con.			
77 Adjustments in expired accounts.....	-94	-----	-----
90 Expenditures excluding pay increase supplemental.....	95,951	99,772	103,750
91 Expenditures from civilian pay increase supplemental.....	-----	3,800	250

¹ Includes capital outlay as follows: June 30, 1964, \$2,091 thousand; 1965, \$2,200 thousand; 1966, \$2,200 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964	1965	1966
Stores.....	136	181	181	181
Unpaid undelivered orders.....	1,320	1,835	1,835	1,835
Total selected resources.....	1,456	2,016	2,016	2,016

Assistance to soil conservation districts, communities and other cooperators, consists mainly of the following:

(a) Standard soil surveys and investigations, with interpretations and publications, which provide physical land facts needed for local program development, farm and ranch conservation planning, installation of planned practices and for use by other Federal, State and local agencies;

MAIN WORKLOAD FACTORS

[In millions of acres]

	1964 actual	Total as of June 30, 1964	1965 estimate	1966 estimate
Standard soil surveys:				
New mapping.....	40.6	-----	40.0	39.5
Conversion from conservation surveys.....	16.8	-----	16.5	16.0
Total.....	57.4	526.5	56.5	55.5
Conservation surveys.....	2.6	296.0	2.5	2.5
Total soil surveys.....	60.0	822.5	59.0	58.0

¹ Cumulative areas mapped in districts, all programs.

(b) Technical assistance to cooperating farmers and ranchers in the planning of individual conservation programs for orderly land use adjustments and installation of needed conservation treatments; (c) technical programing, installation services and consultation with those practices and measures provided for in farm and ranch conservation plans; (d) technical assistance to community groups with water facilities and control problems that can best be solved through coordinated local action; (e) the granting of special equipment acquired from Federal surplus to soil conservation districts for use in applying planned conservation practices; (f) water supply forecasts developed from snow surveys in Western States which are useful in making efficient seasonal use of water; (g) the selection and testing of plant materials to determine their suitability for erosion control and conservation purposes; (h) technical assistance to participants in the Agricultural Conservation Program in establishing specified practices; (i) technical services to participants in other programs involving land use adjustments along with resource improvements; (j) technical assistance in planning and applying the soil and water conservation practices for which loans are made by the Farmers Home Administration; (k) consultation and assistance to local rural areas development committees; and (l) program planning with consultation services in urban fringe areas.

MAIN WORKLOAD FACTORS

Total number	1964 actual	1965 estimate	1966 estimate
Soil conservation districts.....	2,971	3,000	3,025
District cooperators (cumulative).....	1,930,718	1,970,000	2,000,000
Basic conservation plans and revisions (annually):			
Number.....	132,036	130,000	135,000
Acres.....	56,591,204	56,000,000	58,000,000
Basic plans (cumulative).....	1,444,290	1,470,000	1,500,000
Landowners and operators assisted.....	1,039,365	1,040,000	1,050,000

Combinations of needed soil and water conservation practices are planned together and in relation to each other so as to have a well balanced conservation program in each district and for each farm or ranch. Both vegetative and structural measures are used in accordance with the needs of the land for conservation treatment and improvement. Each plan reflects the decisions of the cooperating farmer or rancher as to how he will use and treat his land.

Technicians of the Soil Conservation Service explain the various soil conditions, develop alternative uses and treatments with each cooperator, help to evaluate the costs and returns of conservation farming, and furnish assistance in applying the needed treatment.

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-20-1000-0-1-354			
Personnel compensation:			
11.1 Permanent positions.....	75,053	80,837	80,641
11.3 Positions other than permanent.....	2,196	2,735	2,700
11.5 Other personnel compensation.....	243	303	300
Total personnel compensation.....	77,492	83,875	83,641
12.0 Personnel benefits.....	6,003	6,530	6,800
21.0 Travel and transportation of persons.....	2,089	2,391	2,400
22.0 Transportation of things.....	540	631	640
23.0 Rent, communications, and utilities.....	2,856	2,894	2,900
24.0 Printing and reproduction.....	484	495	500
25.1 Other services.....	1,003	1,085	1,000
25.2 Services of other agencies.....	839	1,004	900
25.3 Payments to "Watershed protection".....	14		
26.0 Supplies and materials.....	3,138	3,113	3,200
31.0 Equipment.....	2,000	2,076	2,100
32.0 Lands and structures.....	42	130	10
42.0 Insurance claims and indemnities.....	19	17	20
Subtotal.....	96,519	104,241	104,111
95.0 Quarters and subsistence charges.....	-7	-8	-8
99.0 Total obligations.....	96,512	104,233	104,103

Personnel Summary

Total number of permanent positions.....	10,910	10,965	11,060
Full-time equivalent of other positions.....	589	680	675
Average number of all employees.....	10,878	11,040	10,900
Average GS grade.....	7.7	7.7	7.8
Average GS salary.....	\$7,250	\$7,551	\$7,627

Proposed for separate transmittal:

CONSERVATION OPERATIONS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-20-1000-1-1-354			
Financing:			
14 Receipts and reimbursements from non-Federal sources.....			-20,000
40 New obligatory authority (proposed supplemental appropriation).....			-20,000
Relation of obligations to expenditures:			
70 Receipt and other offsets (items 11-17).....			-20,000
71 Obligations affecting expenditures.....			-20,000
90 Expenditures.....			-20,000

Under proposed legislation, 1966. A reduction of \$20,000 thousand is anticipated for 1966 under legislation being proposed to authorize the establishment of a public enterprise revolving fund to finance in part the cost of technical services provided to soil conservation districts and cooperating farmers, ranchers and other landowners in the design, layout, and installation of planned soil and water conservation practices. The proposed legislation would require that cooperating soil conservation districts or landowners and operators pay to the Service up to 50% of the cost of technical assistance furnished to help install planned practices on their lands. Receipts derived from this source and deposited in the fund would be available in their entirety for installation services.

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, [\$5,524,000] in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), to remain available until expended, \$5,721,000, with which shall be merged the unexpended balances of funds heretofore appropriated under this head: Provided, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$50,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a). (5 U.S.C. 511-512, Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-20-1066-0-1-354			
Program by activities:			
Small watershed project investigations and planning (program costs, funded) ¹	5,193	5,551	5,721
Change in selected resources ²		170	
10 Total obligations.....	5,193	5,721	5,721
Financing:			
16 Comparative transfers from other accounts.....	-5,193		
New obligatory authority.....		5,721	5,721

SOIL CONSERVATION SERVICE—Continued**General and special funds—Continued****WATERSHED PLANNING—Continued****Program and Financing (in thousands of dollars)—Continued**

Identification code 05-20-1066-0-1-354	1964 actual	1965 estimate	1966 estimate
New obligational authority:			
40 Appropriation.....		5,524	5,721
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (78 Stat. 655).....		-3	
43 Appropriation (adjusted).....		5,521	5,721
44 Proposed supplemental due to civilian pay increases.....		200	
Relation of obligations to expenditures:			
10 Total obligations.....	5,193	5,721	5,721
70 Receipts and other offsets (item 11-17).....	-5,193		
71 Obligations affecting expenditures.....		5,721	5,721
72 Obligated balance, start of year.....			306
74 Obligated balance, end of year.....		-306	-300
90 Expenditures excluding pay increase supplemental.....		5,221	5,721
91 Expenditures from civilian pay increase supplemental.....		194	6

¹ Includes capital outlay as follows: 1964, \$93 thousand; 1965, \$90 thousand; 1966, \$90 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1964, \$0 thousand; 1965, \$170 thousand; 1966, \$170 thousand.

The Department cooperates with the States and other agencies in planning works of improvement in small watersheds to reduce damage from floodwater, sediment, and erosion and for the conservation, development, utilization, and disposal of water.

MAIN WORKLOAD FACTORS

Activity	1964 actual	1965 estimate	1966 estimate
Applications for planning assistance:			
Received, current fiscal year.....	201	210	220
Received, cumulative at June 30.....	2,137	2,347	2,567
Not suitable for planning at June 30.....	260	265	270
Status of planning:			
Authorized, current fiscal year.....	112	105	105
Authorized, cumulative at June 30.....	1,002	1,107	1,212
Suspended or terminated at June 30.....	151	160	170
Completed, current fiscal year.....	75	93	100
Completed, cumulative at June 30.....	617	710	810
In process at June 30.....	234	237	232
Remaining to be planned at June 30.....	875	975	1,085
Completed plans not yet approved for operations.....	48	41	41

Small watershed project investigations and planning.—Surveys are made by the Department of proposed small watershed projects, and work plans are prepared in co-operation with the local sponsors. These plans outline the soil and water management problems in the watershed, the steps that have been or are authorized to be taken to alleviate these problems, the proposed works of improvement to be installed, the estimated benefits and costs, cost-sharing and operation and maintenance arrangements, and other facts necessary to justify Federal participation in project development.

Object Classification (in thousands of dollars)

Identification code 05-20-1066-0-1-354	1964 actual	1965 estimate	1966 estimate
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	3,603	3,806	3,850
11.3 Positions other than permanent.....	162	221	221
11.5 Other personnel compensation.....	10	13	13
Total personnel compensation.....	3,775	4,040	4,084
12.0 Personnel benefits.....	289	322	325
21.0 Travel and transportation of persons.....	308	344	344
22.0 Transportation of things.....	31	56	45
23.0 Rent, communications, and utilities.....	69	80	80
24.0 Printing and reproduction.....	84	105	100
25.1 Other services.....	60	127	98
25.2 Services of other agencies.....	38	61	50
26.0 Supplies and materials.....	71	87	87
31.0 Equipment.....	75	66	75
42.0 Insurance claims and indemnities.....	1		
Total obligations, Soil Conservation Service.....	4,801	5,288	5,288
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	276	288	290
11.3 Positions other than permanent.....	6	11	12
11.5 Other personnel compensation.....		1	1
Total personnel compensation.....	282	300	303
12.0 Personnel benefits.....	23	20	21
21.0 Travel and transportation of persons.....	33	33	33
22.0 Transportation of things.....	1	1	1
23.0 Rent, communications, and utilities.....	3	3	3
25.1 Other services.....	17	9	8
26.0 Supplies and materials.....	4	12	9
31.0 Equipment.....	2	1	1
41.0 Grants, subsidies, and contributions.....	27	54	54
Total obligations, allotment accounts.....	392	433	433
99.0 Total obligations.....	5,193	5,721	5,721
Obligations are distributed as follows:			
Soil Conservation Service.....	4,801	5,288	5,288
Economic Research Service.....	23	23	23
Forest Service.....	369	410	410

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	480	475	475
Full-time equivalent of other positions.....	39	53	53
Average number of employees.....	491	498	498
Average GS grade.....	7.7	7.7	7.8
Average GS salary.....	\$7,250	\$7,551	\$7,627
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	34	36	36
Full-time equivalent of other positions.....	2	3	3
Average number of all employees.....	36	38	38
Average GS grade.....	7.5	7.5	7.5
Average GS salary.....	\$7,068	\$7,307	\$7,377

WATERSHED PROTECTION

For necessary expenses to conduct river basin surveys and investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of

cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001-1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), to remain available until expended, **[\$60,324,000] \$67,171,000**, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$100,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not to exceed **[\$4,000,000] \$7,000,000**, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes. (5 U.S.C. 511-512; *Department of Agriculture and Related Agencies Appropriation Act, 1966.*)

Program and Financing (in thousands of dollars)

Identification code 05-20-1067-0-1-354	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Watershed works of improvement.....	50,471	50,264	53,000
2. Loans and related expense.....	5,272	5,240	7,000
3. River basin program development and coordination.....	2,678	4,139	5,640
Total program costs, funded ¹	58,421	59,643	65,640
Change in selected resources ²	3,365	1,736	1,531
10 Total obligations.....	61,786	61,379	67,171
Financing:			
16 Comparative transfers to other accounts.....	5,285		
21 Unobligated balance available, start of year.....	-7,419	-3,859	-3,500
24 Unobligated balance available, end of year.....	3,859	3,500	3,500
New obligational authority.....	63,510	61,020	67,171
New obligational authority:			
40 Appropriation.....	63,607	60,324	67,171
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655).....	-97	-39	
43 Appropriation (adjusted).....	63,510	60,285	67,171
44 Proposed supplemental due to civilian pay increases.....		735	
Relation of obligations to expenditures:			
10 Total obligations.....	61,786	61,379	67,171
70 Receipts and other offsets (items 11-17).....	5,285		
71 Obligations affecting expenditures.....	67,070	61,379	67,171

¹ Includes capital outlay as follows: 1964, \$651 thousand; 1965, \$750 thousand; 1966, \$800 thousand.
² Selected resources as of June 30 are as follows:

	1963	1964	1965	1966
Unpaid undelivered orders.....	39,349	42,718	44,454	45,985
Advances.....	18	14	14	14
Total selected resources.....	39,367	42,732	44,468	45,999

[Dollars in thousands]

Explanation	1964 actual		1965 estimate		1966 estimate	
	Number	Amount	Number	Amount	Number	Amount
Uncompleted projects at beginning of year and estimated completion cost.....	9	2,902	6	1,398	3	534
Status of projects and amounts obligated:						
1. Projects completed during the year.....	3	74	3	149	2	286
2. Projects continuing construction and land treatment.....	6	1,430	3	715	1	122
Total.....	9	1,504	6	864	3	408
3. Uncompleted projects at end of year:						
(a) Obligations to date ²	6	12,162	3	4,305	1	1,990
(b) Estimated completion cost.....	6	1,398	3	534	1	126
4. Projects completed (cumulative) and total cost ²	48	29,658	51	38,379	53	41,102
5. Projects discontinued (cumulative) and total cost.....	8	330	8	330	8	330
6. Total projects approved and estimated total cost.....	62	43,548	62	43,548	62	43,548
7. Total obligations (cumulative).....	--	42,150	--	43,014	--	43,422

¹ Includes \$2 thousand comparative transfer to the Office of Management Services.² Includes \$1,264,860 for project evaluation studies charged to project costs prior to the fiscal year 1960.

Program and Financing (in thousands of dollars)—Continued

Identification code 05-20-1067-0-1-354	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures—Con.			
72 Obligated balance, start of year.....	45,007	49,302	51,113
74 Obligated balance, end of year.....	-49,302	-51,113	-53,464
90 Expenditures excluding pay increase supplemental.....	62,776	58,853	64,800
91 Expenditures from civilian pay increase supplemental.....		715	20

The Department cooperates with the States and other agencies in installing works of improvement in small watersheds to reduce damage from floodwater, sediment, and erosion and for the conservation, development, utilization, and disposal of water. It provides loans to local organizations to help them finance their share of the costs of certain works of improvement. The Department also cooperates with other agencies in making surveys and investigations of watersheds of rivers and other waterways as the basis for the development of coordinated programs.

MAIN WORKLOAD FACTORS

Status of projects approved for operations	1964 actual	1965 estimate	1966 estimate
Approved, current fiscal year.....	96	100	100
Approved, cumulative at June 30.....	569	669	769
Completed, current fiscal year.....	11	35	35
Completed, cumulative at June 30.....	66	101	136
Work in progress at June 30.....	503	568	633

1. *Watershed works of improvement.*—The Department provides technical and financial assistance to local organizations to install the watershed works of improvement for watershed protection, flood prevention, agricultural water management, recreation, and fish and wildlife development features specified in the work plans.

(a) *Pilot demonstration watersheds.*—Sixty-two pilot watersheds were started in 1954 in cooperation with local sponsors under authority of the Act of April 27, 1935 (16 U.S.C. 590a-f) to demonstrate and evaluate the effectiveness of works of improvement installed in small watersheds for watershed protection and flood prevention. As of June 30, 1964, work had been discontinued in 8 projects and completed as planned in 48 except for project evaluation studies which will be underway until 1970 in some of these. The following table shows the current status of the pilot watershed projects. Obligations for project evaluation studies are not reflected in the table subsequent to 1959 as these costs were determined not properly chargeable to projects. Obligations for such studies amounted to \$113 thousand in 1964 and are estimated at \$105 thousand in 1965 and \$100 thousand in 1966.

SOIL CONSERVATION SERVICE—Continued**General and special funds—Continued****WATERSHED PROTECTION—Continued**

(b) *Public Law 566 watersheds.*—After local sponsoring organizations have developed watershed work plans with the Department's assistance, or with State or local resources, and the projects have been approved as suitable for Federal participation (projects involving an estimated Federal contribution in excess of \$250 thousand for construction or any single structure having a capacity in excess of 2,500 acre-feet require Congressional approval), technical services and financial assistance are provided for specified works of improvement. On non-Federal lands local sponsoring organizations must contract for construction work, operate and maintain the projects, and in the case of multiple-purpose structures, bear a share of construction costs. In addition, local organizations must acquire water rights and furnish land, easements, and rights-of-way for all structural measures except that the Federal Government may pay up to one-half the cost of land, easements, and rights-of-way allocated to public fish and wildlife and recreational developments. Federal agencies do this work on Federal lands which they administer with appropriate contributions being made by the local people who receive benefits.

Pre-construction land treatment and engineering services are furnished to all approved projects before they are

advanced to the construction stage. During the pre-construction stage, surveys and investigations are made and detailed designs, specifications, and engineering cost estimates are prepared for construction of structural works; areas are delineated where easements are required and technical services are furnished for accelerating planning and application of land treatment measures if provided for in the watershed work plan.

The project construction stage begins with the execution of the first project agreement for construction of works of improvement. Under a project agreement the local sponsoring organization agrees to construct a segment of the project which may consist of an individual or an inter-related group of structures. The agreement obligates the Department to furnish its share of the construction cost. Payments are made to the local contracting organization in accordance with the project agreement as the work progresses. Engineering and other services are provided for the preparation of contracts and inspection of construction. Technical assistance in planning and installing land treatment measures is continued as called for in the watershed work plan.

The following tabulation shows the status of Public Law 566 projects and amounts obligated or estimated to be obligated. The table does not reflect minor obligations for project evaluation studies (\$101 thousand cumulatively as of June 30, 1964), or for balances remaining in the undistributed equipment account (\$443 thousand cumulatively as of June 30, 1964).

[Dollars in thousands]

Explanation	1964 actual		1965 estimate		1966 estimate	
	Number	Amount	Number	Amount	Number	Amount
1. Projects approved for operations and estimated cost of completion:						
(a) Uncompleted projects at beginning of year.....	418	281,632	503	351,533	568	399,267
(b) Projects approved during year.....	96	123,279	100	100,000	100	100,000
Total.....	514	404,911	603	451,533	668	499,267
2. Status of projects and amounts obligated:						
(a) Projects not requiring funds during year.....	20	-----	20	-----	20	-----
(b) Projects receiving land treatment and engineering services only.....	153	2,528	195	3,572	298	5,200
(c) Projects moved into construction stage during year.....	46	11,330	69	15,433	70	15,900
(d) Prior year projects continuing construction and land treatment.....	295	39,520	319	33,261	280	32,923
(Projects included above completed during year).....	(11)	(24)	(35)	(557)	(35)	(175)
Total.....	514	53,378	603	52,266	668	54,023
3. Uncompleted projects (cumulative) at end of year:						
(a) Obligations to date.....	503	199,596	568	236,391	633	272,914
(b) Estimated cost of completion.....	503	351,533	568	399,267	633	445,244
4. Projects completed (cumulative) and total cost.....	66	17,969	101	33,440	136	50,940
5. Total projects approved (cumulative) and estimated total cost.....	569	569,098	669	669,098	769	769,098
6. Total obligations (cumulative).....	---	217,565	---	269,831	---	323,854

¹ Includes \$64 thousand comparative transfers to other accounts.

The 1965 program contemplates initiation of construction in 69 watershed projects, involving 1965 estimated obligations of \$15.4 million and total Federal cost of \$65.6 million. The 1966 estimate provides for starting about 70 projects with 1966 obligations of \$15.9 million and total Federal cost of \$70 million.

2. *Loans and related expense.*—Loans are made to local organizations to finance the local share of the cost of installing planned works of improvement in approved watershed projects. Repayment with interest is required within 50 years after the principal benefits of improve-

ments first become available. Of the 1966 estimate for watershed protection, not to exceed \$7 million is to be available for such purpose together with the unobligated balance of loan funds carried over from prior years, if any. The estimate does not forecast any unobligated balance in loan funds at the end of the fiscal year 1965 or 1966.

The following tabulation shows the status of the watershed protection loan program and amounts obligated or estimated to be obligated for loans to local sponsoring organizations of watershed projects.

[Dollars in thousands]

Explanation	1964 actual		1965 estimate		1966 estimate	
	Number	Amount	Number	Amount	Number	Amount
1. Applications on hand at beginning of year.....	80	16,000	132	26,175	282	56,152
2. Applications received during year.....	101	20,200	200	40,000	250	50,000
3. Total applications for consideration during year.....	181	36,200	332	66,175	532	106,152
4. Loans obligated during year.....	19	3,992	19	3,783	40	6,500
5. Loans closed during year (disbursements).....	(25)	(5,081)	(31)	(5,000)	(40)	(6,500)
6. Applications withdrawn or disapproved.....	30	6,033	31	6,240	35	7,000
7. Applications pending at end of year.....	132	26,175	282	56,152	457	92,652
8. Loans obligated end of year (cumulative).....	69	11,806	88	15,589	128	22,089

3. *River basin program development and coordination.*—Section 6 of Public Law 566, 83d Congress, as amended, authorizes the Department to cooperate with other Federal, State, and local agencies in making surveys and investigations of the watersheds of rivers and other waterways as a basis for the development of coordinated water and related land resources programs. The Department is currently participating in cooperative surveys and investigations in river basins with the Corps of Engineers and other interested Federal and State agencies. The Department is represented on the Interagency Committee on Water Resources which was established to coordinate water and related land resource activities of Federal departments and agencies. The Department also maintains representation on various river basin interagency committees, which serve as points of contact and coordination between representatives of this Department and of other Federal departments and agencies and the States in these basin areas, to keep all concerned mutually informed of the activities of the member agencies and to facilitate matters of interagency coordination. The Department in 1964 maintained such representation on committees in the Arkansas-White-Red, Columbia, Missouri, Northeast, Pacific Southwest, and Southeast areas.

This Department and the Departments of the Army, the Interior, and Health, Education, and Welfare have jointly considered river basin surveys and investigations currently needed to attain the goal proposed by the Senate Select Committee on National Water Resources and recommended by the President for surveying the river basins of the Nation. Based on this joint consideration, this estimate includes \$3.2 million for conducting these interagency comprehensive surveys during fiscal year 1966, \$1.7 million to continue other cooperative river basin surveys begun in prior years and to start additional surveys in cooperation with States, and \$0.7 million for interregional economic analyses and interagency coordination activities.

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-20-1067-0-1-354			
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	14,244	16,288	17,060
11.3 Positions other than permanent.....	1,200	1,774	1,826
11.5 Other personnel compensation.....	305	410	430
Total personnel compensation.....	15,749	18,472	19,316
12.0 Personnel benefits.....	1,169	1,392	1,455
21.0 Travel and transportation of persons.....	674	938	930
22.0 Transportation of things.....	113	218	175
23.0 Rent, communications, and utilities.....	389	474	475

Object Classification (in thousands of dollars)—Continued

Identification code	1964 actual	1965 estimate	1966 estimate
05-20-1067-0-1-354			
SOIL CONSERVATION SERVICE—Con.			
24.0 Printing and reproduction.....	318	388	410
25.1 Other services.....	692	1,107	1,100
25.2 Services of other agencies.....	261	367	350
25.4 Watershed construction contracts.....	986	557	292
26.0 Supplies and materials.....	535	627	630
31.0 Equipment.....	554	618	625
41.0 Grants, subsidies, and contributions.....	34,991	30,130	31,835
42.0 Insurance claims and indemnities.....	1		
44.0 Refunds.....		6	
Total obligations, Soil Conservation Service.....	56,432	55,294	57,593
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	766	1,072	1,715
11.3 Positions other than permanent.....	60	52	57
11.5 Other personnel compensation.....	2	2	2
Total personnel compensation.....	828	1,126	1,774
12.0 Personnel benefits.....	62	83	130
21.0 Travel and transportation of persons.....	88	124	169
22.0 Transportation of things.....	10	14	13
23.0 Rent, communications, and utilities.....	18	22	31
24.0 Printing and reproduction.....	6	6	12
25.1 Other services.....	111	123	131
25.2 Services of other agencies.....	13	17	33
26.0 Supplies and materials.....	23	40	37
31.0 Equipment.....	21	8	16
32.0 Lands and structures.....	4	3	3
33.0 Investments and loans.....	3,992	3,783	6,500
41.0 Grants, subsidies, and contributions.....	178	736	729
Total obligations, allotment accounts.....	5,354	6,085	9,578
99.0 Total obligations.....	61,786	61,379	67,171
Obligations are distributed as follows:			
Agriculture:			
Soil Conservation Service.....	56,432	55,294	57,593
Economic Research Service.....	490	634	1,015
Farmers Home Administration.....	4,182	4,023	7,000
Forest Service.....	591	1,320	1,466
Interior.....	91	108	97

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	2,095	2,230	2,340
Full-time equivalent of other positions.....	309	430	440
Average number of all employees.....	2,286	2,537	2,610
Average GS grade.....	7.7	7.7	7.8
Average GS salary.....	\$7,250	\$7,551	\$7,627

SOIL CONSERVATION SERVICE—Continued

General and special funds—Continued

WATERSHED PROTECTION—Continued

Personnel Summary—Continued

	1964 actual	1965 estimate	1966 estimate
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	126	143	219
Full-time equivalent of other positions.....	11	11	16
Average number of all employees.....	102	131	204
Average GS grade.....	8.2	8.2	8.2
Average GS salary.....	\$7,826	\$8,142	\$8,118

FLOOD PREVENTION

For necessary expenses, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, 16 U.S.C. 1006a), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including funds for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$100,000 for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), to remain available until expended; **[\$25,423,000] \$25,417,000**, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated: *Provided further*, That not to exceed **[\$1,000,000] \$200,000**, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

[For an additional amount for emergency measures for runoff retardation and soil-erosion prevention as provided by section 216 of the Flood Control Act of 1950, \$900,000.] (5 U.S.C. 511-512; Department of Agriculture and Related Agencies Appropriation Act, 1965; Supplemental Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-20-1036-0-1-354	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Works of improvement.....	21,820	25,394	26,000
2. Loans and related expense.....	310	625	500
Total program costs, funded ¹	22,130	26,019	26,500
Change in selected resources ²	2,291	3,375	-783
10 Total obligations.....	24,421	29,394	25,717
Financing:			
16 Comparative transfers to other accounts.....	11		
21 Unobligated balance available, start of year.....	-7,178	-8,176	-5,099
24 Unobligated balance available, end of year.....	8,176	5,099	4,799
New obligational authority.....	25,430	26,317	25,417
New obligational authority:			
40 Appropriation.....	25,465	26,323	25,417
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655).....	-35	-6	
43 Appropriation (adjusted).....	25,430	26,317	25,417

Program and Financing (in thousands of dollars)—Continued

Identification code 05-20-1036-0-1-354	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
10 Total obligations-----	24,421	29,394	25,717
70 Receipts and other offsets (items 11-17)-----	11	-----	-----
71 Obligations affecting expenditures-----	24,432	29,394	25,717
72 Obligated balance, start of year-----	10,049	12,099	16,193
74 Obligated balance, end of year-----	-12,099	-16,193	-16,210
90 Expenditures-----	22,382	25,300	25,700

¹ Includes capital outlay as follows: 1964, \$1,368 thousand; 1965, \$1,400 thousand; 1966, \$1,450 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964	1965	1966
Unpaid undelivered orders-----	8,026	10,336	13,711	12,928
Advances-----	19			
Total selected resources-----	8,045	10,336	13,711	12,928

1. *Works of improvement.*—The Department cooperates with soil conservation districts and other local organizations in planning and installing works of improvement for flood prevention and for furthering the conservation, development, utilization, and disposal of water in the 11 watersheds authorized by the Flood Control Act of 1944. The Federal Government shares in the cost of works of improvement for flood prevention, agricultural water management, recreation, and fish and wildlife development facilities.

The Department furnishes additional technical and in certain instances financial assistance to landowners to accelerate planning and installation of land treatment measures for runoff retardation, sediment control, and water management. Local sponsoring organizations must furnish all land, easements and rights-of-way, water rights, and the entire cost of works of improvement for non-agricultural water management measures, except those for fish and wildlife development and recreation, and operate and maintain all completed works of improvement.

2. *Loans and related expense.*—Loans are made to local organizations to help finance their share of the costs of planned works of improvement. Repayment with interest is required within 50 years after the principal benefits of improvements first become available. Of the 1966 estimate for flood prevention, not to exceed \$200 thousand is to be available for such purpose, together with any unobligated balances of loan funds carried over from prior years. About \$2.6 million is available for this purpose during 1965, a significant portion of which will not be required during that year.

Object Classification (in thousands of dollars)

Identification code 05-20-1036-0-1-354	1964 actual	1965 estimate	1966 estimate
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	5,242	5,615	5,621
11.3 Positions other than permanent.....	646	751	754
11.5 Other personnel compensation.....	93	121	100
Total personnel compensation.....	5,981	6,487	6,475
12.0 Personnel benefits.....	444	481	480
21.0 Travel and transportation of persons.....	210	231	230
22.0 Transportation of things.....	27	43	35
23.0 Rent, communications, and utilities.....	140	142	142
24.0 Printing and reproduction.....	102	112	100

Object Classification (in thousands of dollars)—Continued

Identification code 05-20-1036-0-1-354	1964 actual	1965 estimate	1966 estimate
SOIL CONSERVATION SERVICE—Con.			
25.1 Other services.....	654	897	850
25.2 Services of other agencies.....	84	116	100
25.3 Payments to "Watershed protection".....	84		
Watershed construction contracts.....	11,892	14,251	11,706
26.0 Supplies and materials.....	613	528	570
31.0 Equipment.....	165	171	170
41.0 Grants, subsidies, and contributions.....	9	543	500
42.0 Insurance claims and indemnities.....	5		
Total obligations, Soil Conservation Service.....	20,410	24,002	21,358
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	1,172	1,667	1,324
11.3 Positions other than permanent.....	769	1,106	935
11.5 Other personnel compensation.....	29	48	25
Total personnel compensation.....	1,970	2,821	2,284
12.0 Personnel benefits.....	128	191	155
21.0 Travel and transportation of persons.....	49	64	57
22.0 Transportation of things.....	132	161	110
23.0 Rent, communications, and utilities.....	79	76	70
24.0 Printing and reproduction.....	4	4	4
25.1 Other services.....	345	432	196
25.2 Services of other agencies.....	74	86	70
26.0 Supplies and materials.....	585	672	580
31.0 Equipment.....	165	174	150
32.0 Lands and structures.....	160	186	175
33.0 Investments and loans.....	285	475	475
41.0 Grants, subsidies, and contributions.....	73	100	70
Subtotal.....	4,049	5,442	4,396
95.0 Quarters and subsistence charges.....	-37	-50	-37
Total obligations, allotment accounts.....	4,012	5,392	4,359
99.0 Total obligations.....	24,421	29,394	25,717
Obligations are distributed as follows:			
Soil Conservation Service.....	20,410	24,002	21,358
Economic Research Service.....	43	44	44
Farmers Home Administration.....	335	500	500
Forest Service.....	3,634	4,848	3,815

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	815	815	815
Full-time equivalent of other positions.....	179	180	180
Average number of all employees.....	947	950	950
Average GS grade.....	7.7	7.7	7.8
Average GS salary.....	\$7,250	\$7,551	\$7,627
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	201	266	215
Full-time equivalent of other positions.....	214	281	242
Average number of all employees.....	396	530	440
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$7,015	\$7,244	\$7,322

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (16 U.S.C. 590p), [\$14,744,000] \$14,864,000, to remain available until expended. (5 U.S.C. 511-512; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-20-2268-0-1-354	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Great Plains conservation program (program costs, funded) ¹	11,836	12,833	14,364
Changes in selected resources ²	1,816	2,120	500
10 Total obligations.....	13,652	14,953	14,864
Financing:			
16 Comparative transfers to other accounts.....	5		
21 Unobligated balance available, start of year.....	-129	-89	
24 Unobligated balance available, end of year.....	89		
New obligational authority.....	13,617	14,864	14,864
New obligational authority:			
40 Appropriation.....	13,622	14,744	14,864
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436).....	-5		
43 Appropriation (adjusted).....	13,617	14,744	14,864
44 Proposed supplemental due to civilian pay increases.....		120	
Relation of obligations to expenditures:			
10 Total obligations.....	13,652	14,953	14,864
70 Receipts and other offsets (items 11-17).....	5		
71 Obligations affecting expenditures.....	13,657	14,953	14,864
72 Obligated balance, start of year.....	20,307	22,082	23,786
74 Obligated balance, end of year.....	-22,082	-23,786	-24,286
90 Expenditures excluding pay increase supplemental.....	11,882	13,141	14,352
91 Expenditures from civilian pay increase supplemental.....		108	12

¹ Includes capital outlay as follows: 1964, \$19 thousand; 1965, \$50 thousand; 1966, \$75 thousand.

² Selected resources as of June 30, are as follows: Unpaid undelivered orders, 1963, \$19,564 thousand; 1964, \$21,380 thousand; 1965, \$23,500 thousand; 1966, \$24,000 thousand.

This program provides cost-sharing assistance and technical services to participating farmers and ranchers in the development and installation of long-term conservation plans for their land. It is a voluntary program which supplements other conservation programs of the Department in designated counties of 10 Great Plains States. Cost-sharing contracts with individual landowners extend over periods of 3 to 10 years and include a plan of conservation operations for each farm or ranch. A time schedule for installing the cost-share practices is included as a part of each contract. The primary purpose of this program is to achieve needed land use adjustments, conservation treatments, and economic stability for each farm or ranch unit where the work is installed.

The needs for technical help increase over a period of years as more participants enter the program. This increasing workload is in two parts, namely: (a) assistance to new participants in preparing long-term contracts; and (b) installation services in accordance with the terms and period of time specified in each contract. As of June 30, 1964, a total of 12,887 farmers and ranchers were cooperating in this cost-share program. Cooperating landowners finance the entire cost of installing recurring management type practices on their land and pay some specified part of the cost-shared practices.

Program regulations provide that the cost-share rate offered in any contract shall not exceed 80 percent of the average cost of installing each eligible practice within the

SOIL CONSERVATION SERVICE—Continued**General and special funds—Continued****GREAT PLAINS CONSERVATION PROGRAM—Continued**

designated county. The rate of cost-share obligations vary among practices and between States due to differences in average costs for installation. Participants in this program often install practices in accordance with their plans that are in excess of the amounts on which cost-shares are obligated. This tends to increase the farmer costs without obligations for additional cost-share payments.

Federal cost-sharing is further limited to \$2,500 for the constructing, enlarging, or deepening of any dam, pit, or pond for irrigation water; and to not more than \$2,500 for irrigation practices in any one contract, or one-fourth of the total Federal obligation, which ever is larger. There is also a cost-sharing limitation of \$25 thousand for any one contract. Under present legislation the final date for entering into such contracts with private landowners will expire December 31, 1971. Interest in the program continues to increase.

Each participant who signs a Great Plains program contract is responsible for installing his plan of operations as scheduled; and the Department is committed to furnish the necessary technical help needed for design, layout, and other services with all practices included in each plan. Cooperating farmers and ranchers are encouraged to make use of other available assistance under local, State and Federal programs as a means of further improving their land and water resources.

Object Classification (in thousands of dollars)

Identification code 05-20-2268-0-1-354	1964 actual	1965 estimate	1966 estimate
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions	2,202	2,560	2,545
11.3 Positions other than permanent	161	237	250
11.5 Other personnel compensation	2	3	5
Total personnel compensation	2,365	2,800	2,800
12.0 Personnel benefits	182	215	216
21.0 Travel and transportation of persons	44	52	50
22.0 Transportation of things	12	14	15
23.0 Rent, communications, and utilities	41	48	50
24.0 Printing and reproduction	12	15	14
25.1 Other services	17	21	20
25.2 Services of other agencies	18	20	20
25.3 Other miscellaneous services	2		
26.0 Supplies and materials	98	110	109
31.0 Equipment	16	20	21
41.0 Grants, subsidies, and contributions	10,744	11,525	11,436
Total obligations, Soil Conservation Service	13,551	14,840	14,751
ALLOTMENT ACCOUNTS			
11.1 Personnel compensation: Permanent positions	21	28	28
12.0 Personnel benefits	1	2	2
24.0 Printing and reproduction	1	1	1
25.2 Services of other agencies	78	81	81
26.0 Supplies and materials		1	1
Total obligations, allotment accounts	101	113	113
99.0 Total obligations	13,652	14,953	14,864

Object Classification (in thousands of dollars)—Continued

Identification code 05-20-2268-0-1-354	1964 actual	1965 estimate	1966 estimate
Obligations are distributed as follows:			
Soil Conservation Service	13,551	14,840	14,751
Agricultural Stabilization and Conservation Service	69	75	75
Forest Service	18	21	21
Office of Information	14	17	17

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions	320	355	355
Full-time equivalent of other positions	40	45	40
Average number of all employees	349	380	365
Average GS grade	7.7	7.7	7.8
Average GS salary	\$7,250	\$7,551	\$7,627
ALLOTMENT ACCOUNTS			
Total number of permanent positions	3	3	3
Average number of all employees	3	3	3
Average GS grade	7.5	7.6	7.6
Average GS salary	\$7,102	\$7,416	\$7,420

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development, and for sound land use, pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), **[\$1,770,000] \$4,303,000**, to remain available until expended: *Provided*, That not to exceed **[\$500,000] \$1,500,000** of such amount shall be available for loans and related expenses under subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$50,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a). (5 U.S.C. 511-512; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-20-1010-0-1-354	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Project investigations and planning	334	484	550
2. Resource development and technical services		995	2,053
3. Loans and related expenses		500	1,000
Total program costs funded ¹	334	1,979	3,603
Changes in selected resources ²	18	982	700
10 Total obligations	352	2,961	4,303
Financing:			
21 Unobligated balance available, start of year		-1,148	
24 Unobligated balance available, end of year	1,148		
New obligational authority	1,500	1,813	4,303
New obligational authority:			
40 Appropriation	1,500	1,770	4,303
44 Proposed supplemental due to civilian pay increases		43	

Program and Financing (in thousands of dollars)—Continued

Identification code 05-20-1010-0-1-354	1964 actual	1965 estimate	1966 estimate
Relation of obligations, to expenditures:			
71 Total obligations (affecting expenditures).....	352	2,961	4,303
72 Obligated balance, start of year.....		88	1,250
74 Obligated balance, end of year.....	-88	-1,250	-1,853
90 Expenditures excluding pay increase supplemental.....	263	1,760	3,696
91 Expenditures from civilian pay increase supplemental.....		39	4

¹ Includes estimated capital outlay as follows: 1964, \$5 thousand; 1965, \$150 thousand; 1966, \$200 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$0; 1964, \$18 thousand; 1965, \$1,000 thousand; 1966, \$1,700 thousand.

The Department cooperates with other Federal agencies, States, and local units of government in developing and carrying out programs and plans for resource development projects on private lands, and shares in the cost of installing planned works of improvement, when justified as a public need. Loans are provided to local sponsoring organizations and to individuals in pilot projects when needed to help them finance their share of the cost on certain improvements that are in the public interest.

Technical assistance is provided for each approved area to help cooperating individuals to plan and install land treatments, for which no cost-shares are paid from this appropriation; to assist local organizations and groups with design, construction, and installation of new facilities; and for the preparation of overall work plans as a basis for resource development and economic improvement within each project area.

Ten proposed projects are expected to be approved for operations in the 1965 fiscal year. The Department will furnish technical and financial assistance when each project is approved for operations. Another 10 projects would be undertaken in fiscal year 1966 making a total of 20 projects of which at least 15 would be in operations. The main workload factors will be developed and presented when the work plans are approved.

The field work under this program consists of planning, designing and installing practices and measures, the primary purpose of which is to develop or improve the economic use of natural resources. This includes recreational facilities, and income-producing enterprises where needed. Investigations, surveys, and planning are prerequisites to the operating phases of this program. Financial contributions and other Federal assistance will be used to help install planned measures, including loans to aid local public agencies and the project sponsors in financing works of improvement as specified in approved work plans.

Object Classification (in thousands of dollars)

Identification code 05-20-1010-0-1-354	1964 actual	1965 estimate	1966 estimate
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	193	810	1,145
11.3 Positions other than permanent.....	8	60	80
11.5 Other personnel compensation.....		5	5
Total personnel compensation.....	201	875	1,230
12.0 Personnel benefits.....	15	67	90
21.0 Travel and transportation of persons.....	28	60	60
22.0 Transportation of things.....	3	12	18
23.0 Rent, communications, and utilities.....	4	18	25

Object Classification (in thousands of dollars)—Continued

Identification code 05-20-1010-0-1-354	1964 actual	1965 estimate	1966 estimate
SOIL CONSERVATION SERVICE—Con.			
24.0 Printing and reproduction.....	5	10	10
25.1 Other services.....		5	8
25.2 Services of other agencies.....	3	9	12
26.0 Supplies and materials.....	4	20	30
31.0 Equipment.....	17	50	70
41.0 Grants, subsidies, and contributions.....		639	1,000
Total obligations, Soil Conservation Service.....	280	1,765	2,553
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	31	205	180
11.3 Positions other than permanent.....	1		
Total personnel compensation.....	32	205	180
12.0 Personnel benefits.....	3	16	14
21.0 Travel and transportation of persons.....	9	22	34
25.1 Other services.....		40	29
26.0 Supplies and materials.....		3	3
31.0 Equipment.....	2		
33.0 Investments and loans.....		850	1,350
41.0 Grants, subsidies, and contributions.....	26	60	140
Total obligations, allotment accounts.....	72	1,196	1,750
99.0 Total obligations.....	352	2,961	4,303
Obligations are distributed as follows:			
Soil Conservation Service.....	280	1,765	2,553
Economic Research Service.....	32	72	85
Farmers Home Administration.....		1,000	1,500
Forest Service.....	40	124	165

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	20	65	145
Full-time equivalent of other positions.....	2	12	20
Average number of all employees.....	21	75	140
Average GS grade.....	7.7	7.8	7.8
Average GS salary.....	\$7,250	\$7,551	\$7,627
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	4	23	20
Average number of all employees.....	4	23	19
Average GS grade.....	8.9	7.7	7.5
Average GS salary.....	\$8,466	\$7,520	\$7,705

WATER CONSERVATION AND UTILIZATION PROJECTS

Program and Financing (in thousands of dollars)

Identification code 05-20-1008-0-1-354	1964 actual	1965 estimate	1966 estimate
Financing:			
21 Unobligated balance available, start of year.....	-127	-127	-127
24 Unobligated balance available, end of year.....	127	127	127
New obligatory authority.....			
Relation of obligations to expenditures:			
90 Expenditures.....			

SOIL CONSERVATION SERVICE—Continued

General and special funds—Continued

WATER CONSERVATION AND UTILIZATION PROJECTS—Continued

The Service has been developing irrigation farming units for sale on the Eden Valley project in Wyoming where the Bureau of Reclamation has constructed the water storage facility and the principal canals. Land development for irrigation and settlement has been completed in accordance with the project plan prepared cooperatively with the Bureau of Reclamation. The farms developed in the project have been sold with the exception of four. One of these was transferred to the State of Wyoming as a demonstration farm. The other three tracts were transferred to the Department of the Interior during the 1964 fiscal year. The Eden Valley project office has been closed. A soil conservation district has been organized and staffed to furnish technical assistance in soil and water conservation to the project settlers. Sufficient funds are available from prior-year appropriations to protect the interests of the Government and to provide a reserve in case of need for adjustments in remaining unpaid obligations. No new appropriations will be required.

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations. Funds appropriated to the President. "Economic assistance".

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-20-3988-0-4-354			
Program by activities:			
1. Sale of maps and mosaics.....	684	664	675
2. Sale of personal property.....	632	583	650
3. Technical assistance to agricultural conservation program participants.....	7,973	8,500	4,910
4. Technical assistance to cropland conversion program participants.....	59	200	200
5. Area redevelopment program (Commerce).....	80	38	
6. Miscellaneous services to other accounts.....	2,162	2,473	2,700
10 Total program costs, funded—obligations.....	11,590	12,458	9,135
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts.....	—9,697	—10,410	—6,785
14 Non-Federal sources ¹	—1,893	—2,048	—2,350
New obligatory authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	11,590	12,458	9,135
70 Receipts and other offsets (items 11-17).....	—11,590	—12,458	—9,135
71 Obligations affecting expenditures.....			
90 Expenditures.....			

¹ Reimbursements from non-Federal sources above are from State, County, municipal, and private organizations for soil and water conservation work rendered under cooperative agreements (16 U.S.C. 590a-590f); from Government agencies, farmers, or other persons for reproduction of aerial and other photographs, mosaics, and soil and land use and other maps (7 U.S.C. 1387); from proceeds of sale of personal property (40 U.S.C. 481(c)).

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-20-3988-0-4-354			
Personnel compensation:			
11.1 Permanent positions.....	7,499	8,236	5,625
11.3 Positions other than permanent.....	1,284	1,316	940
11.5 Other personnel compensation.....	23	27	20
Total personnel compensation.....	8,806	9,579	6,585
12.0 Personnel benefits.....	677	730	502
21.0 Travel and transportation of persons.....	107	115	90
22.0 Transportation of things.....	13	17	15
23.0 Rent, communications, and utilities.....	77	80	65
24.0 Printing and reproduction.....	23	25	40
25.1 Other services.....	749	816	840
25.2 Services of other agencies.....	47	24	40
Watershed construction contracts.....		22	50
26.0 Supplies and materials.....	429	450	375
31.0 Equipment.....	662	600	533
99.0 Total obligations.....	11,590	12,458	9,135

Personnel Summary

Total number of permanent positions.....	1,290	1,340	920
Full-time equivalent of other positions.....	268	280	200
Average number of all employees.....	1,496	1,553	1,056
Average GS grade.....	7.7	7.7	7.8
Average GS salary.....	\$7,250	\$7,551	\$7,627

ECONOMIC RESEARCH SERVICE

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; **[\$10,576,000] \$11,366,000:** *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$75,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis. (5 U.S.C. 511-512; 7 U.S.C. 411, 1761-1768; 42 U.S.C. 1891-1893; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-24-1700-0-1-355			
Program by activities:			
1. Farm economics.....	3,360	4,568	4,722
2. Marketing economics.....	2,915	3,132	3,332
3. Domestic and foreign economic analysis.....	3,035	3,222	3,312
Total program costs, funded ¹	9,310	10,922	11,366
Change in selected resources ²	—130		
10 Total obligations.....	9,180	10,922	11,366

Program and Financing (in thousands of dollars)—Continued

Identification code 05-24-1700-0-1-355	1964 actual	1965 estimate	1966 estimate
Financing:			
16 Comparative transfers to other accounts.....	648	-----	-----
25 Unobligated balance lapsing.....	62	-----	-----
New obligational authority.....	9,890	10,922	11,366
New obligational authority:			
40 Appropriation.....	9,912	10,576	11,366
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655).....	-22	-14	-----
43 Appropriation (adjusted).....	9,890	10,562	11,366
44 Proposed supplemental due to civilian pay increases.....	-----	360	-----
Relation of obligations to expenditures:			
10 Total obligations.....	9,180	10,922	11,366
70 Receipts and other offsets (items 11-17).....	648	-----	-----
71 Obligations affecting expenditures.....	9,828	10,922	11,366
72 Obligated balance, start of year.....	1,121	842	1,059
74 Obligated balance, end of year.....	-842	-1,059	-1,119
77 Adjustments in expired accounts.....	-91	-----	-----
90 Expenditures excluding pay increase supplemental.....	10,016	10,360	11,291
91 Expenditures from civilian pay increase supplemental.....	-----	345	15

¹ Includes capital outlay as follows: 1964, \$56 thousand; 1965, \$58 thousand; 1966, \$58 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$651 thousand (1964 adjustments, -\$171 thousand); 1964, \$350 thousand; 1965, \$350 thousand; 1966, \$350 thousand.

Agricultural economics research in the Department is administered by the Economic Research Service. The results of the research program are relied upon by (a) producers, dealers, importers and exporters as aids in planning the most profitable adjustments in their operations, (b) Government agencies in formulating and administering agricultural programs, and (c) Congress in considering agricultural legislation.

1. *Farm economics.*—Research is conducted to measure, appraise, and analyze on a continuing basis, economic changes that occur in farming and in the use of rural resources and to indicate needed adjustments.

Research on the economics of farm production includes the economics of organization and management of farms; adjustments in production to prospective demands, and changing technologies; appraisals of costs and returns on farms representative of important types, sizes and locations, and the appraisal of costs of producing important commodities; development of measures of farm output and productivity; problems of farm size and capital requirements; financing of farm enterprises; taxation, insurance of land values; and appraisal of alternative agricultural production policies and programs.

Resource development economics is concerned with the management of the Nation's land and water resources and particularly the changing rural economy and institutional structure. It includes economic development; improvement of income opportunities in depressed areas; rural renewal; analysis of river basin and watershed programs, land tenure, and resource organization and policy.

The increase requested for 1966 would permit intensified analysis of financial management on family farms and water management and use.

2. *Marketing economics.*—This activity covers economic aspects of marketing farm products, including the nature of farmers' bargaining power; potentials for new products and new uses; market structure, costs and margins; the economic effects of school lunch, special milk, food stamp, and direct food distribution programs.

The 1966 budget proposes a nonrecurring increase for economic research on the away-from-home market for food.

3. *Domestic and foreign economic analysis.*—Domestic economic analysis is concerned with identifying, measuring, and analyzing: (1) the factors affecting demand, supply, and price of agricultural commodities; (2) relationships between the agricultural sector and the national economy; (3) farm income and the income of the farm population; (4) demand and consumption of farm products; (5) long-term projections of economic growth and farm products demand; (6) farm population, manpower and levels of living; and (7) historical developments in the policies, programs, and organization of the Department.

Foreign economic analysis includes trade studies and investigation of supply-demand relations. The trade and market studies focus on the problems of developing foreign markets and the effect of these developments on U.S. agricultural production. Research is carried on for more than 100 countries around the world, focusing on the forces affecting supply, demand, and trade in farm products, and their impact on U.S. agricultural exports.

The increase requested for 1966 would provide export outlook projections, and would establish a compilation program for analysis of agricultural export and import statistics for the major trading nations of the world.

Object Classification (in thousands of dollars)

Identification code 05-24-1700-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	6,922	7,812	7,977
11.3 Positions other than permanent.....	192	129	129
11.5 Other personnel compensation.....	13	13	13
Total personnel compensation.....	7,127	7,954	8,119
12.0 Personnel benefits.....	523	596	608
21.0 Travel and transportation of persons.....	258	361	373
22.0 Transportation of things.....	20	20	20
23.0 Rent, communications, and utilities.....	121	127	129
24.0 Printing and reproduction.....	201	199	201
25.1 Other services.....	534	496	505
25.2 Services of other agencies.....	283	1,044	1,282
26.0 Supplies and materials.....	44	63	64
31.0 Equipment.....	70	62	65
99.0 Total obligations.....	9,180	10,922	11,366

Personnel Summary

Total number of permanent positions.....	979	986	1,010
Full time equivalent of other positions.....	36	27	27
Average number of all employees.....	862	897	915
Average GS grade.....	8.9	9.0	9.1
Average GS salary.....	\$8,466	\$8,983	\$9,020
Average salary of ungraded positions.....	\$8,464	\$7,548	\$7,964

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedules of the parent appropriations, as follows:
Funds appropriated to the President, "Economic assistance."

Agriculture:

Soil Conservation Service:

"Flood Prevention"

"Watershed Protection"

"Watershed Planning"

"Resource Conservation and Development"

Farmers Home Administration, "Rural Renewal"

Agricultural Stabilization and Conservation Service, "Expenses"

ECONOMIC RESEARCH SERVICE—Continued**Intragovernmental funds:****ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

Identification code	1964 actual	1965 estimate	1966 estimate
05-24-3917-0-4-355			
Program by activities:			
Area Redevelopment Act (Commerce):			
Operations.....	53	46	59
Technical assistance.....	43	29	-----
Research.....	38	56	-----
Watershed Protection.....	188	211	111
Other economic research:			
Agriculture.....	222	250	250
Other.....	306	308	308
Total program costs, funded.....	850	900	728
Change in selected resources ¹	8	-----	-----
10 Total obligations.....	858	900	728
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts.....	-857	-892	-720
14 Non-Federal sources ²	-1	-8	-8
New obligational authority.....	-----	-----	-----
Relation of obligations to expenditures:			
10 Total obligations.....	858	900	728
70 Receipts and other offsets (items 11-17)....	-858	-900	-728
71 Obligations affecting expenditures.....	-----	-----	-----
90 Expenditures.....	-----	-----	-----

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$18 thousand; (1964 adjustments, -\$1 thousand); 1964, \$25 thousand; 1965, \$25 thousand; 1966, \$25 thousand.

² Reimbursements from non-Federal sources are derived from the sale of personal property being replaced (40 U.S.C. 481(c)) and from cooperating State departments of agriculture (7 U.S.C. 1624).

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-24-3917-0-4-355			
Personnel compensation:			
11.1 Permanent positions.....	538	519	426
11.3 Positions other than permanent.....	32	36	30
Total personnel compensation.....	570	555	456
12.0 Personnel benefits.....	43	41	33
21.0 Travel and transportation of persons.....	59	80	70
23.0 Rent, communications, and utilities.....	11	10	8
24.0 Printing and reproduction.....	10	17	1
25.1 Other services.....	57	76	54
25.2 Services of other agencies.....	103	115	100
26.0 Supplies and materials.....	3	3	3
31.0 Equipment.....	2	3	3
99.0 Total obligations.....	858	900	728

Personnel Summary

Total number of permanent positions.....	57	51	48
Full time equivalent of other positions.....	5	9	8
Average number of all employees.....	61	60	50
Average GS grade.....	8.9	9.0	9.1
Average GS salary.....	\$8,466	\$8,983	\$9,020
Average salary of ungraded positions.....	\$8,464	\$7,548	\$7,964

STATISTICAL REPORTING SERVICE**General and special funds:****SALARIES AND EXPENSES**

For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, **[\$11,481,000]** \$14,366,000: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$40,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a). (5 U.S.C. 511-512, 556b; 7 U.S.C. 411, 411a, 411b, 471, 475, 501, 951, 953, 955-957; 42 U.S.C. 1891-1893; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-28-1800-0-1-355			
Program by activities:			
1. Crop and livestock estimates.....	9,950	11,284	11,284
2. Statistical research and service.....	499	582	3,082
Total program costs, funded ¹	10,449	11,866	14,366
Change in selected resources ²	82	-----	-----
10 Total obligations.....	10,531	11,866	14,366
Financing:			
16 Comparative transfers to other accounts.....	668	-----	-----
25 Unobligated balance lapsing.....	45	-----	-----
New obligational authority.....	11,244	11,866	14,366
New obligational authority:			
40 Appropriation.....	11,290	11,481	14,366
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655).....	-46	-21	-----
43 Appropriation (adjusted).....	11,244	11,460	14,366
44 Proposed supplemental due to civilian pay increases.....	-----	406	-----
Relation of obligations to expenditures:			
10 Total obligations.....	10,531	11,866	14,366
70 Receipts and other offsets (items 11-17)....	668	-----	-----
71 Obligations affecting expenditures.....	11,199	11,866	14,366
72 Obligated balance, start of year.....	935	877	892
74 Obligated balance, end of year.....	-877	-892	-942
77 Adjustments in expired accounts.....	-55	-----	-----
90 Expenditures, excluding pay increase supplemental.....	11,202	11,458	14,303
91 Expenditures from civilian pay increase supplemental.....	-----	393	13

¹ Includes capital outlay as follows: 1964, \$143 thousand; 1965, \$250 thousand; 1966, \$2,050 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$355 thousand (1964 adjustments, -\$124 thousand); 1964, \$313 thousand; 1965, \$313 thousand; 1966, \$313 thousand.

The Service administers programs relating to crop and livestock estimates and statistical research and service. The statistical and economic data developed on food and agriculture are essential to farmers, processors, and han-

dlers in making production and marketing decisions, and to legislators, administrators and others concerned with developing and administering agricultural programs. The basic facts provided by this service are also essential to economic analyses and other agricultural research programs.

1. *Crop and livestock estimates.*—This service provides the official estimates on this Nation's agriculture, including acreage, yield, and production of crops, stocks, and value of farm commodities, numbers and inventory value of livestock items. Data collected and published on prices paid and received by farmers are basic to computation of parity prices. Data on approximately 150 crop and livestock products are covered in some 700 reports issued each year. The activity is conducted through 43 State offices serving 50 States, most of which are operated as joint State and Federal services. Co-operative arrangements with State agencies provide a considerable volume of additional data which would not be collected or made available from Federal funds. During 1964 cooperating States expended an estimated \$1.8 million of their own funds on these associated State programs. A comparison of activity data for 1963 and 1964, including work performed under cooperative arrangements is as follows:

	1963 actual	1964 preliminary
Separate mailings of inquiry forms, average per field office.....	378	383
Total questionnaires handled:		
Number distributed.....	9,750,000	9,810,000
Number of returns tabulated.....	2,950,000	2,910,000
Number of objective survey contacts (measurements and interviews).....	99,000	129,000
Number of official reports issued, all offices.....	9,900	10,000
Copies of reports distributed.....	14,300,000	14,700,000
Publications distributed.....	3,477,000	3,480,000
Special requests for information answered by field offices.....	65,800	66,400

A redirection of \$226 thousand is proposed for 1966 to complete Project A of the long-range program by eliminating or curtailing three areas of crop and livestock estimates work. This would place this phase of the long-range program on a full operating basis in all 48 conterminous States by adding the 3 Pacific coast States and the 6 New England States. The corresponding decrease required would be accomplished by (1) a reduction in the frequency of cattle-on-feed reports in 6 States, (2) the elimination of the cut flower survey in 11 States, and (3) discontinuance of the estimating programs for certain seed crops, primarily various grass seeds.

2. *Statistical research and service.*—This work includes review of all statistical forms, survey plans, and reporting and recordkeeping requirements originating in the Department and requiring Bureau of the Budget approval; liaison for coordination of statistics within the Department and with other statistical agencies; development of new and improved methods and techniques, and providing technical consulting services to other agencies of the Department; research on and development of sampling, forecasting, and other basic statistical techniques and methods to improve the crop and livestock estimates of the Department; use of and consultation on automatic data processing to develop and adopt this medium for improving the accuracy and timeliness of crop and livestock estimates; and conduct of special surveys relating to the marketing of agricultural products. A comparison of activity data for 1963 and 1964 is as follows:

	1963 actual	1964 actual
Statistical forms-reports (Federal Reports Act): Departmental clearance and review for submission to Bureau of the Budget.....	645	531
Improvement of crop and livestock estimating methods:		
Number of research projects.....	13	13
Special surveys: Number of research projects.....	15	12

The increase (non-recurring) for 1966 would be used for the purchase of a large-scale computer and related costs.

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-28-1800-0-1-355			
Personnel compensation:			
11.1 Permanent positions.....	6,640	7,477	7,446
11.3 Positions other than permanent.....	707	833	904
11.5 Other personnel compensation.....	27	32	32
Total personnel compensation.....	7,374	8,342	8,382
12.0 Personnel benefits.....	544	607	607
21.0 Travel and transportation of persons.....	740	936	949
22.0 Transportation of things.....	66	75	75
23.0 Rent, communications, and utilities.....	826	888	875
24.0 Printing and reproduction.....	299	322	320
25.1 Other services.....	164	203	839
25.2 Services of other agencies.....	133	131	129
26.0 Supplies and materials.....	135	135	162
31.0 Equipment.....	250	227	2,028
99.0 Total obligations.....	10,531	11,866	14,366

Personnel Summary

Total number of permanent positions.....	1,142	1,131	1,125
Full-time equivalent of other positions.....	152	203	220
Average number of all employees.....	1,141	1,259	1,270
Average GS grade.....	6.7	6.8	6.8
Average GS salary.....	\$6,687	\$7,120	\$7,191

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note:—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation, Funds appropriated to the President. "Economic Assistance."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-28-3918-0-4-355			
Program by activities:			
1. Statistical and tabulating services:			
Agriculture.....	1,276	1,964	1,444
Other agencies.....	135	204	90
2. Area Redevelopment Program (Commerce).....	16	9	-----
10 Total program costs, funded—obligations ¹	1,427	2,177	1,534
Financing:			
Receipts and reimbursements from:			
Administrative budget accounts.....	—1,414	—2,123	—1,498
Non-Federal sources ²	—31	—36	—36
21.98 Unobligated balance available, start of year.....	-----	—18	-----
24.98 Unobligated balance available, end of year.....	18	-----	-----
New obligational authority.....	-----	-----	-----

STATISTICAL REPORTING SERVICE—Continued

Intragovernmental funds—Continued

ADVANCES AND REIMBURSEMENTS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-28-3918-0-4-355	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
10 Total obligations.....	1,427	2,177	1,534
70 Receipts and other offsets (items 11-17).....	-1,445	-2,159	-1,534
71 Obligations affecting expenditures.....	-18	18	-----
90 Expenditures.....	-18	18	-----

¹ Includes capital outlay as follows: 1964, \$30 thousand; 1965, \$23 thousand; 1966, \$23 thousand.

² Reimbursements from non-Federal sources are derived from the sale of personal property being replaced (40 U.S.C. 481(c)), and from cooperating State departments of agriculture (7 U.S.C. 1624).

Object Classification (in thousands of dollars)

Identification code 05-28-3918-0-4-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	906	921	801
11.3 Positions other than permanent.....	-----	381	82
11.5 Other personnel compensation.....	56	68	33
Total personnel compensation.....	962	1,370	916
12.0 Personnel benefits.....	69	88	64
21.0 Travel and transportation of persons.....	27	194	50
22.0 Transportation of things.....	3	4	4
23.0 Rent, communications, and utilities.....	234	234	250
24.0 Printing and reproduction.....	7	16	12
25.1 Other services.....	30	79	81
25.2 Services of other agencies.....	12	106	86
26.0 Supplies and materials.....	61	53	45
31.0 Equipment.....	22	33	26
99.0 Total obligations.....	1,427	2,177	1,534

Personnel Summary

Total number of permanent positions.....	170	139	130
Full-time equivalent of other positions.....	0	74	18
Average number of all employees.....	136	194	121
Average GS grade.....	6.7	6.8	6.8
Average GS salary.....	\$6,687	\$7,120	\$7,191

AGRICULTURAL MARKETING SERVICE

General and special funds:

MARKETING SERVICES

For expenses necessary to carry on services related to agricultural marketing and distribution as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, including the administration of marketing regulatory acts connected therewith and for administration and coordination of payments to States; and this appropriation shall be available for field employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$75 per diem under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in carrying out section 201(a) to 201(d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1291) and section 203(j) of the Agricultural Marketing Act of 1946; \$39,566,000; \$41,232,000. (5 U.S.C. 511-512, 541a, 556b, 563-564, 575; 7 U.S.C. 51-65, 71-87, 91-99, 181-229, 241-272, 414a, 415b, 415c, 423, 440, 471-476, 501-508, 511-511q, 516, 581-589, 591-599, 1551-1610; 15 U.S.C. 251-257i; 21 U.S.C. 94a, 451-469; 26 U.S.C. 4851-4854, 4861-4865, 4871-4877, 6001, 6804, 7233, 7263, 7492-7493, 7701; 31 U.S.C. 725d; 78 Stat. 697; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-32-2500-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Direct program:			
1. Market news service.....	5,793	6,579	6,579
2. Inspection, grading, classing and standardization:			
(a) Poultry inspection.....	14,551	17,167	17,567
(b) All other.....	12,086	12,487	12,532
3. Regulatory activities.....	3,949	4,170	4,470
4. Administration and coordination of State payments.....	82	84	84
Total direct program costs, funded ¹	36,461	40,487	41,232
Change in selected resources ²	127	-----	-----
Total direct obligations.....	36,588	40,487	41,232
Reimbursable program:			
2. Inspection, grading, classing and standardization (obligations) ³	1,383	1,854	1,854
10 Total obligations.....	37,971	42,341	43,086
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts:			
For emergency preparedness functions.....	-77	-76	-76
Other.....	-1,306	-1,778	-1,778
16 Comparative transfers to other accounts.....	5,219	-----	-----
25 Unobligated balance lapsing.....	593	-----	-----
New obligational authority.....	42,400	40,487	41,232
New obligational authority:			
40 Appropriation.....	42,499	39,566	41,232
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655).....	-99	-79	-----
43 Appropriation (adjusted).....	42,400	39,487	41,232
44 Proposed supplemental due to civilian pay increases.....	-----	1,000	-----
Relation of obligations to expenditures:			
10 Total obligations.....	37,971	42,341	43,086
70 Receipts and other offsets (items 11-17).....	3,836	-1,854	-1,854
71 Obligations affecting expenditures.....	41,807	40,487	41,232
72 Obligated balance, start of year.....	4,390	2,606	3,643
74 Obligated balance, end of year.....	-2,606	-3,643	-3,480
77 Adjustments in expired accounts.....	-51	-----	-----
90 Expenditures excluding pay increase supplemental.....	43,540	38,490	41,355
91 Expenditures from civilian pay increase supplemental.....	-----	960	40

¹ Includes capital outlay as follows: 1964, \$446 thousand; 1965, \$342 thousand; 1966, \$282 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$408 thousand (1964 adjustments, -\$33 thousand); 1964, \$502 thousand; 1965, \$502 thousand; 1966, \$502 thousand.

³ Includes capital outlay as follows: 1964, \$21 thousand; 1965, \$10 thousand; 1966, \$10 thousand.

Domestic agricultural marketing and distribution service functions of the Department are concentrated primarily in the Agricultural Marketing Service. The marketing job is increasing in complexity as the market structure is subjected to near revolutionary changes such as concentration in food retailing, trend toward direct buying, decentralization of processing, growth of interregional competition, and growing trend toward vertical integration and contract farming.

1. *Market news service.*—This service provides current information on supply, movement, and prices at specific markets for practically all agricultural commodities. This day-to-day market information enables American farmers to determine where and when to sell and at what price. The information is collected and disseminated at year-round and seasonal offices maintained in more than 130 cities and towns, often with local and other support and cooperation, generally from State Departments of Agriculture.

MARKET NEWS SERVICE

	1962 actual	1963 actual	1964 actual
States covered by cooperative agreement.....	43	43	42
Field Offices:			
Year-round.....	179	181	182
Seasonal.....	40	40	39
Buyers and sellers interviewed.....	22,859	22,850	22,640
Mimeographed releases to growers, ship- pers and others.....	23,609,907	23,098,583	22,550,075
Names on mailing list.....	266,108	257,758	243,419

2. *Inspection, grading, classing and standardization.*—(a) *Poultry inspection.*—Inspection of poultry for wholesomeness is provided pursuant to the Poultry Products Inspection Act of 1957. All poultry moving in interstate or foreign commerce is required to be inspected both before and after slaughter. Birds found to be unfit for human consumption are condemned and removed from channels of trade.

POULTRY INSPECTION ACTIVITIES

	1964 actual	1965 estimate	1966 estimate
Million pounds to be inspected.....	10,741	11,203	11,690
Plants under inspection June 30.....	972	1,052	1,052
Cities in which plants are located June 30.....	607	625	625
Evisceration lines under inspection June 30.....	1,284	1,390	1,445

The increase for 1966 provides for inspection of an increased volume of poultry and for laboratory work on harmful pesticides or other chemical residues in poultry meat. Legislation will be proposed to place the service on a self-supporting basis resulting in a reduction of \$17,567 thousand for 1966.

(b). *Other inspection, grading, classing, and standardization.*—Nationally uniform standards of quality for agricultural products are established and applied to specific lots of produce to promote confidence between buyers and sellers; reduce hazards in marketing due to misunderstandings and disputes arising from the use of nonstandard descriptions; encourage better preparation of uniform quality products for market; and furnish consumers with more definite information on the quality of products they buy. The standards are applied by or under the supervision of Federal employees at the request of any interested party, and generally for a fee. Approximately 80% of the total cost of this work was offset by fees and other revenue in 1964, which are shown principally under Agricultural Marketing Service trust funds in part II of the Budget Appendix. The increase for 1966 provides for assistance to States in applying livestock standards and for mandatory reimbursement to Employees Compensation Fund. Legislation will be proposed to (1) amend the U.S. Grain Standards Act which would include placing on a voluntary basis the grain inspection in domestic trade and establishing fees to recover the cost of that portion of the service which is of special benefit to the users of the service; (2) amend the Tobacco Inspection Act and the Cotton Statistics and Estimates Act to recover in fees the full

cost of the special benefit portion of the service; and (3) to repeal the Naval Stores and Wool Standards Acts resulting in a reduction of \$7,620 thousand in appropriated funds.

STANDARDIZATION ACTIVITIES

	1962 actual	1963 actual	1964 actual
Grade standards in effect.....	1,513	1,490	1,454
Number of commodities covered.....	294	290	311

INSPECTION, GRADING, AND CLASSING ACTIVITIES UNDER APPROPRIATED FUNDS

	1964 actual	1965 estimate	1966 estimate
Cotton classings by Federal employees (samples).....	19,612,838	19,500,000	19,500,000
Grain inspections by licensees.....	3,384,824	3,250,000	3,250,000
Volume inspected (1000 bu.).....	7,446,123	6,791,000	6,750,000
Tobacco auction markets.....	175	175	175
Volume inspected at markets (mil. lbs.).....	2,357	2,150	2,050
Sets of buyers.....	236	236	236

3. *Regulatory activities.*—These include the administration of regulatory laws such as Packers and Stockyards, Standard Container, United States Warehouse, and Federal Seed Acts, to assure fair play in the marketplace; to protect producers and handlers of agricultural commodities from financial loss due to careless or fraudulent marketing practices; and to preserve free and open competition in the marketing of farm products. Assistance is also provided to farmers and others in obtaining and maintaining equitable and reasonable transportation rates and services on farm products and supplies. The increase for 1966 would be used to provide for more effective administration of the Packers and Stockyards and U.S. Warehouse Acts. Legislation will be proposed to amend the U.S. Warehouse Act to recover the full cost of that portion of the service which is of special benefit to the users of the service and to repeal the Naval Stores Act, the Tobacco Seed and Plant Exportation Act, and the two Standard Container Acts resulting in a reduction of \$690 thousand for 1966.

	1964 actual	1965 estimate	1966 estimate
Packers and Stockyards Act:			
Number of registrants.....	16,809	17,900	19,000
Complaints investigated.....	2,575	2,900	3,100
Bonds reviewed.....	13,195	14,000	14,500
Formal proceedings.....	338	475	495
Warehouse Act:			
Number of licensed warehouses.....	1,824	1,850	1,875
Capacity of licensed warehouses:			
Grain (million bushels).....	1,359	1,440	1,490
Cotton (million bales).....	14.7	15.1	15.3
Average number supervisory inspections per warehouse:			
Grain.....	1.78	1.70	1.90
Cotton.....	1.56	1.50	1.70
Seed Act:			
Import actions.....	13,098	16,000	16,000
Interstate investigations:			
Completed.....	914	750	750
Pending.....	528	750	750
Seed samples tested.....	16,341	20,750	20,750
Transportation services:			
Formal litigation.....	44	45	45
Informal negotiations.....	71	70	70

4. *Administration and coordination of State payments.*—This covers the Federal activity required in administering and coordinating the marketing service work performed by the States and financed jointly by State funds, and Federal funds provided by the appropriation Payments to States and possessions. In 1965 this work will be carried on in 43 States with 142 work projects.

AGRICULTURAL MARKETING SERVICE—Con.

General and special funds—Continued

MARKETING SERVICES—Continued

Object Classification (in thousands of dollars)

Identification code 05-32-2500-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	26,514	29,366	29,856
11.3 Positions other than permanent.....	1,658	2,398	2,398
11.4 Special personal service payments.....	6	6	6
11.5 Other personnel compensation.....	451	397	397
Total personnel compensation.....	28,629	32,167	32,657
Direct obligations:			
Personnel compensation.....	27,627	30,840	31,330
12.0 Personnel benefits.....	2,030	2,301	2,338
21.0 Travel and transportation of persons.....	2,320	2,527	2,585
22.0 Transportation of things.....	403	452	458
23.0 Rent, communications, and utilities.....	1,879	2,065	2,078
24.0 Printing and reproduction.....	243	280	284
25.1 Other services.....	655	715	804
25.2 Services of other agencies.....	671	748	771
26.0 Supplies and materials.....	352	359	365
31.0 Equipment.....	407	200	219
42.0 Insurance claims and indemnities.....	1		
Total direct obligations.....	36,588	40,487	41,232
Reimbursable obligations:			
Personnel compensation.....	1,002	1,327	1,327
12.0 Personnel benefits.....	66	85	85
21.0 Travel and transportation of persons.....	106	183	183
22.0 Transportation of things.....	50	79	79
23.0 Rent, communications, and utilities.....	61	96	96
24.0 Printing and reproduction.....	13	16	16
25.1 Other services.....	14	14	14
25.2 Services of other agencies.....	24	10	10
26.0 Supplies and materials.....	28	34	34
31.0 Equipment.....	19	10	10
Total reimbursable obligations.....	1,383	1,854	1,854
99.0 Total obligations.....	37,971	42,341	43,086

Personnel Summary

Total number of permanent positions.....	5,050	4,210	4,287
Full-time equivalent of other positions.....	389	480	480
Average number of all employees.....	4,052	4,175	4,250
Average GS grade.....	7.8	8.0	8.0
Average GS salary.....	\$7,200	\$7,710	\$7,787
Average salary of ungraded positions.....	\$5,187	\$5,179	\$5,179

Proposed for separate transmittal:

MARKETING SERVICES

Program and Financing (in thousands of dollars)

Identification code 05-32-2500-1-1-355	1964 actual	1965 estimate	1966 estimate
Financing:			
14 Receipts and reimbursements from: Non-Federal sources.....			-25,936
24 Unobligated balance available, end of year.....			5,000
40 New obligational authority (proposed supplemental appropriation).....			-20,936
New obligational authority:			
Proposed appropriation for revolving fund.....			5,000
Reduction in current appropriation resulting from establishment of revolving fund.....			-25,936

Program and Financing (in thousands of dollars)—Continued

Identification code 05-32-2500-1-1-355	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
70 Receipts and other offsets (items 11-17).....			-25,936
71 Obligations (affecting expenditures).....			-25,936
74 Reimbursables in excess of obligations, end of year.....			1,290
90 Expenditures.....			-24,646

Under proposed legislation, 1966.—A reduction of \$25,936 thousand is anticipated for 1966 under legislation being proposed as follows: (1) amendment to the U.S. Grain Standards Act which would include placing on a voluntary basis the inspection of grain in domestic trade and establishing fees to recover the full cost of that portion of the service which is of special benefit to the users of the service; (2) to amend the Poultry Products Inspection Act, the Cotton Statistics and Estimates Act, the Tobacco Inspection Act and the U.S. Warehouse Act to recover the full cost of that portion of these services which is of special benefit to the users; and (3) to repeal the Naval Stores Act, Tobacco Seed and Plant Exportation Act, Wool Standards Act and two Standard Container Acts.

This reduction in the Marketing services appropriation will be partially offset by a need for an appropriation of \$5 million to provide operating capital until sufficient fees are collected to permit the poultry inspection and warehouse programs to function on a self-supporting basis.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,500,000. (*Department of Agriculture and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code 05-32-2501-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
10. Payment for marketing service work (sec. 204(b) of the Agricultural Marketing Act of 1946) (costs—obligations) (object class 41.0).....	1,500	1,500	1,500
Financing:			
40 New obligational authority (appropriation).....	1,500	1,500	1,500
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	1,500	1,500	1,500
90 Expenditures.....	1,500	1,500	1,500

Payments are made on a matching fund basis to State marketing agencies for carrying out specifically approved marketing service programs designed to bring about improved marketing. Under this activity, marketing specialists work with farmers, marketing firms, and agencies in solving marketing problems and in putting to use marketing research results.

This program covers such projects as methods of maintaining and improving the quality of products; ways of reducing marketing costs; expanding outlets for surplus products; the collection and dissemination of special State and local market information and statistics; and

improving the organizational structure of the marketing system. Through this cooperative approach, the Federal Government's leadership and money are coupled with State resources and experience to aid in the solution of the most urgent local and area marketing problems.

In 1965 43 States are conducting about 142 projects under this program.

SPECIAL MILK PROGRAM

For necessary expenses to carry out the Special Milk Program, as authorized by the Act of August 8, 1961 (7 U.S.C. 1446, note), \$103,000,000, of which \$51,500,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612): *Provided*, That hereafter appropriations under this head shall be made in accordance with the provisions of Public Law 87-128, \$100,000,000. (*Department of Agriculture and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-32-2502-0-1-659			
Program by activities:			
1. Cash payments to States.....	99,255	102,385	99,385
2. Operating expenses.....	562	615	615
Total program costs funded ¹	99,817	103,000	100,000
Change in selected resources ²	5		
10 Total obligations.....	99,822	103,000	100,000
Financing:			
16 Comparative transfers to other accounts.....	163		
25 Unobligated balance lapsing.....	15		
New obligatory authority.....	100,000	103,000	100,000
New obligatory authority:			
Current authorization:			
40 Appropriation.....	100,000	51,500	100,000
Permanent authorization:			
60 Appropriation.....	0	0	0
62 Transferred from "Removal of surplus agricultural commodities" (78 Stat. 862).....		51,500	
63 Appropriation (adjusted).....		51,500	
Relation of obligations to expenditures:			
10 Total obligations.....	99,822	103,000	100,000
70 Receipts and other offsets (items 11-17).....	163		
71 Obligations affecting expenditures.....	99,985	103,000	100,000
72 Obligated balance, start of year.....		1,273	1,273
74 Obligated balance, end of year.....	-1,273	-1,273	-1,273
77 Adjustment in expired accounts.....	-1,228		
90 Expenditures.....	97,484	103,000	100,000

¹ Includes capital outlay as follows: 1964, \$1 thousand; 1965, \$4 thousand; 1966 \$4 thousand; excludes downward adjustment of \$442 thousand in prior year costs.
² Selected resources as of June 30 are as follows: unpaid undelivered orders, 1963, \$3 thousand; 1964, \$8 thousand; 1965, \$8 thousand; 1966, \$8 thousand.

This program is designed to increase the consumption of fluid milk by children in nonprofit schools of high school grade and under, child-care centers, summer camps, and similar nonprofit institutions.

From its inception in 1955 through 1962, the program was financed through advances from Commodity Credit

Corporation funds. The Agricultural Act of 1961 changed the financing to a direct appropriation beginning July 1, 1962.

1. *Cash payments to States.*—Funds are provided under letters of credit to State agencies to reimburse eligible participants for a part of the cost of the fluid milk consumed. An initial reserve is established at the beginning of the fiscal year for each State based on the total amount of reimbursement payments made during the preceding fiscal year adjusted for average growth. In especially needy schools, reimbursement payments may be made for the full cost of this milk for children who are unable to pay.

In 1964 over 2.9 billion half-pints of fluid milk were consumed by children—over six times the quantity in 1955, the first year of operation of the program. This represents more than 2% of the total nonfarm consumption of fluid milk in the United States. Milk consumed under this program is expected to continue to increase at about 6% in both 1965 and 1966.

Program activities from 1963 through 1966 are as follows:

	1963 actual	1964 prelim- inary	1965 estimate	1966 estimate
Outlets participating.....	90,486	91,890	94,000	96,000
Half-pints of milk reimbursed (million).....	2,765.6	2,917.9	3,093.0	3,278.6
Average reimbursement rate per half-pint.....	3.38¢	3.40¢	3.31¢	3.03¢

2. *Operating expenses.*—Administrative and technical assistance is furnished to State agencies, participating schools, and child-care institutions. Policies, procedures, and standards are developed for administering the program and determining eligibility. The program is administered directly in 8,544 outlets where no State agency has assumed the responsibility for its administration or is prohibited by law from disbursing funds to such participants.

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-32-2502-0-1-659			
Personnel compensation:			
11.1 Permanent positions.....	457	512	512
11.5 Other personnel compensation.....	1	1	1
Total personnel compensation.....	458	513	513
12.0 Personnel benefits.....	34	38	38
21.0 Travel and transportation of persons.....	33	30	30
22.0 Transportation of things.....	2	1	1
23.0 Rent, communications, and utilities.....	15	13	13
24.0 Printing and reproduction.....	4	4	4
25.1 Other services.....	4	4	4
25.2 Services of other agencies.....	3		
26.0 Supplies and materials.....	9	8	8
31.0 Equipment.....	5	4	4
41.0 Grants, subsidies, and contributions.....	99,255	102,385	99,385
99.0 Total obligations.....	99,822	103,000	100,000

Personnel Summary

Total number of permanent positions.....	74	71	71
Average number of all employees.....	66	69	69
Average GS grade.....	7.8	8.0	8.0
Average GS salary.....	\$7,200	\$7,710	\$7,787
Average salary ungraded positions.....	\$5,187	\$5,179	\$5,179

AGRICULTURAL MARKETING SERVICE—Con.

General and special funds—Continued

SCHOOL LUNCH PROGRAM

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1760), **[\$146,400,000]** \$157,000,000, including \$2,000,000 for special assistance to needy schools, as authorized by law: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: *Provided further*, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act. (*Department of Agriculture and Related Agencies Appropriation Act, 1965*)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-32-2539-0-1-659			
Program by activities:			
1. Food assistance:			
(a) Cash payments to States.....	120,808	129,990	138,590
(b) Special cash assistance.....			2,000
(c) Commodity procurement.....	58,788	59,325	59,325
2. Operating expenses.....	1,471	2,085	2,085
Total, program costs funded ¹	181,067	191,400	202,000
Change in selected resources ²	66		
10 Total obligations.....	181,133	191,400	202,000
Financing:			
16 Comparative transfers to other accounts.....	373		
25 Unobligated balance lapsing.....	494		
New obligational authority.....	182,000	191,400	202,000
New obligational authority:			
Current authorization:			
40 Appropriation.....	137,000	146,400	157,000
Permanent authorization:			
60 Appropriation.....	0	0	0
62 Transferred from "Removal of surplus agricultural commodities" (77 Stat. 820 and 78 Stat. 862).....	45,000	45,000	45,000
63 Appropriation (adjusted).....	45,000	45,000	45,000
Relation of obligations to expenditures:			
10 Total obligations.....	181,133	191,400	202,000
70 Receipts and other offsets (items 11-17).....	373		
71 Obligations affecting expenditures.....	181,506	191,400	202,000
72 Obligated balance, start of year.....	793	1,572	2,072
74 Obligated balance, end of year.....	-1,572	-2,072	-2,072
77 Adjustment in expired accounts.....	-63		
90 Expenditures.....	180,664	190,900	202,000

¹ Includes capital outlay as follows: 1964, \$3 thousand; 1965, \$24 thousand; 1966, \$24 thousand; excludes downward adjustment of \$63 thousand in prior year costs.

² Selected resources as of June 30 are as follows: unpaid undelivered orders, 1963, \$25 thousand; 1964, \$91 thousand; 1965, \$91 thousand; 1966, \$91 thousand.

1. *Food assistance*, in the form of both funds and food, is provided to the States and possessions in serving lunches to school children. Each State's portion of the funds available was determined by a statutory formula through fiscal year 1962. The formula took into account the number of school-age children in the State and the relationship between the per capita income of the State

and the average United States per capita income. The amendment to the Act, effective July 1, 1962, changed the formula to include participation in place of school-age population. A new provision is also included in the amendment for providing special cash assistance to needy schools in serving free or reduced price lunches.

The increase for 1966 would provide for normal growth in the program, and for initiating a program of special assistance to needy schools.

The program is operated under an agreement entered into by the State educational agency and the Department of Agriculture. Funds are advanced under letters of credit to State agencies for use in reimbursing participating schools. Schools make application to the State agency and if accepted are reimbursed for a part of the food cost of each meal served. In 1964, the States contributed to this program \$1,011 million, most of which came from payments by children. This was far in excess of the statutory matching requirement of \$3 for each Federal dollar of cash payment.

This appropriation is also used to purchase food for distribution to the schools to help meet the nutritional requirements of the lunches. Transfers are made to this appropriation from the fund Removal of Surplus Agricultural Commodities for the purchase and distribution of agricultural commodities and other foods. Further, commodities acquired under price support and surplus removal programs are available to the schools. The volume of surplus commodities distributed to schools, however, depends upon market conditions.

The program during the peak month in 1964 provided lunches to over 34% of the approximately 46.9 million school children in the country. The number of lunches served increased approximately 5.63% over 1963. Participation in the program in December 1963 reached 16.0 million children in 68,534 schools and an appreciable increase is expected in 1965 and 1966.

During 1964 about \$883 million worth of agricultural commodities and other foods were used in the program. Over 22% of this amount represented commodities contributed under Section 6 of the School Lunch Act and the Federal surplus removal and price support program. About 78% of the food used in the program was purchased by the schools through local suppliers.

Participation in the program from 1963 through 1966 is as follows:

	1963 actual	1964 actual	1965 estimate	1966 estimate
Number of schools (month of peak participation—March).....	67,728	69,544	69,900	71,300
Number of school children (peak thousands—December).....	14,957	16,004	16,964	17,982
Number of meals served (millions)....	2,553	2,697	2,886	3,058

Financing of the program in the last 3 years was as follows: (in millions of dollars):

	1961	1962	1963	1964
State and local contributions (total, including payments by children).....	824.7	887.8	947.5	1,011.4
Federal appropriation (National School Lunch Act):				
(a) Cash payments.....	93.6	98.7	108.5	120.8
(b) Commodity distribution (Section 6).....	61.1	69.1	58.9	59.3
Surplus commodity distribution.....	71.6	113.0	121.0	135.7
Special milk program.....	81.4	85.9	90.4	95.9
Federal contributions.....	307.7	366.7	378.8	411.7
Total, all contributions.....	1,132.4	1,254.5	1,326.3	1,423.1

2. *Operating expenses* consist of overall administration of the program including policy formulation and administrative reviews; administrative and technical assistance to State agencies and participating schools; and administering the program directly in over 3,000 private schools where the State educational agency is prohibited by law from disbursing funds.

Object Classification (in thousands of dollars)

Identification code 05-32-2539-0-1-659	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	990	1,268	1,352
11.5 Other personnel compensation.....	1	5	5
Total personnel compensation.....	991	1,273	1,357
12.0 Personnel benefits.....	72	96	99
21.0 Travel and transportation of persons.....	54	150	122
22.0 Transportation of things.....	2	10	10
23.0 Rent, communications, and utilities.....	57	80	80
24.0 Printing and reproduction.....	93	100	95
25.1 Other services.....	10	56	52
25.2 Services of other agencies.....	243	250	245
26.0 Supplies and materials.....	13	35	15
26.0 Grants of commodities to States.....	58,788	59,325	59,325
31.0 Equipment.....	2	35	10
41.0 Grants, subsidies, and contributions.....	120,808	129,990	140,590
99.0 Total obligations.....	181,133	191,400	202,000

Personnel Summary

Total number of permanent positions.....	145	185	185
Average number of all employees.....	133	160	170
Average GS grade.....	7.8	8.0	8.0
Average GS salary.....	\$7,200	\$7,710	\$7,787
Average salary ungraded positions.....	\$5,187	\$5,179	\$5,179

FOOD STAMP PROGRAM

For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, **[\$25,000,000]** \$100,000,000. (78 Stat. 703; Supplemental Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-32-2505-0-1-659	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Program costs.....	29,190	58,115	97,720
2. Operating expenses.....	1,098	1,885	2,280
Total program costs, funded ¹	30,288	60,000	100,000
Change in selected resources ²	219		
10 Total obligations.....	30,507	60,000	100,000
Financing:			
16 Comparative transfers from other accounts.....	-30,507		
New obligational authority.....		60,000	100,000
New obligational authority:			
Current authorization:			
40 Appropriation.....		25,000	100,000

Program and Financing (in thousands of dollars)—Continued

Identification code 05-32-2505-0-1-659	1964 actual	1965 estimate	1966 estimate
Permanent authorization:			
60 Appropriation.....		0	
62 Transferred from "Removal of surplus agricultural commodities" (78 Stat. 868).....		35,000	
63 Appropriation (adjusted).....		35,000	100,000
Relation of obligations to expenditures:			
10 Total obligations.....	30,507	60,000	100,000
70 Receipts and other offsets (items 11-17).....	-30,507		
71 Obligations affecting expenditures.....		60,000	100,000
72 Obligated balance, start of year.....			400
74 Obligated balance, end of year.....		-400	-800
90 Expenditures.....		59,600	99,600

¹ Includes capital outlay as follows: 1964, \$1 thousand; 1965, \$15 thousand; 1966, \$17 thousand.

² Selected resources as of June 30 are as follows: 1963, \$0; 1964, \$219 thousand; 1965, \$219 thousand; 1966, \$219 thousand.

This program aims at making more effective use of our abundance of food and at providing additional nutrition to those in need. Food coupons which may be used in retail stores for the purchase of commercial brand foods are issued to needy households that qualify to participate.

The Department determines—based on income, food needs and other factors—the allotment of coupons for each household unit, including the portion to be purchased. The participant's normal food expenditure is maintained by requiring that, based on family size and income, recipients will purchase a specific value of coupons. The supplemental or bonus coupons, provided free-of-charge, permit the family or person to upgrade its diet.

Coupons are issued by a non-Federal issuing office. Cash paid for the coupons by participants is deposited periodically in a designated Federal Depository. Food stores receive cash or credit for the coupons from any commercial bank which must accept them at face value. The coupons then flow through regular banking channels to the Federal Reserve banks where they are redeemed and subsequently destroyed.

Operations were started on a pilot basis late in 1961. By June 30, 1964, pilot programs, with financing from section 32 funds, were reaching over 360,000 needy persons in 22 States. The Food Stamp Act (Public Law 88-525) was enacted on August 31, 1964, providing for financing from direct appropriations. The act provides for expansion of the program through appropriation authorizations of \$75 million, \$100 million and \$200 million for fiscal years 1965, 1966 and 1967 respectively. Designation of new areas to be affected is required to be based on recommendations from States desiring to participate.

The 1965 Supplemental Appropriation Act makes available \$25 million in addition to the \$35 million of section 32 funds authorized for the program in the regular 1965 Appropriation Act. This will provide for the areas in operation on July 1, 1964 and permit expansion during 1965 to reach an additional 640,000 persons in other areas. The increase for 1966 would provide for financing on a full-year basis the program level expected by June 30, 1965

AGRICULTURAL MARKETING SERVICE—Con.**General and special funds—Continued****FOOD STAMP PROGRAM—Continued**

and for a further expansion in 1966 to reach an additional 100,000 needy persons.

The following table reflects coverage, participation and costs for fiscal year 1962 (the first full year of operation of the pilot program) 1964, and estimates for 1965 and 1966.

	1962 actual	1964 actual	1965 estimate	1966 estimate
Number of areas by year-end.....	8	43	118	128
Number participants at year-end.....	140,736	360,252	1,000,000	1,100,000
Total value coupons issued (millions).....	\$35.2	\$73.5	\$140.0	\$237.5
Amount paid by participant (for deposit to Redemption Account) (millions).....	\$22.0	\$44.9	\$83.5	\$142.5
Value of bonus (free) coupons issued (millions).....	\$13.2	\$28.6	\$56.5	\$95.0
Federal costs:				
Program ¹ (in millions).....	\$13.3	\$29.4	\$58.1	\$97.7
Administrative ² (in millions).....	\$0.9	\$1.1	\$1.9	\$2.3

¹ Includes value of bonus coupons and other costs such as printing, shipment and destruction of coupons and share of expenses incurred in certification of non-public assistance cases.

² For formulation and administration of the program including review and approval of State and local plans and operations, supervision of participating stores and wholesalers, supervision and reporting of financial operations, and evaluation studies.

Object Classification (in thousands of dollars)

Identification code 05-32-2505-0-1-659	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	851	1,412	1,715
11.5 Other personnel compensation.....	4	10	7
Total personnel compensation.....	855	1,422	1,722
12.0 Personnel benefits.....	62	105	127
21.0 Travel and transportation of persons.....	59	113	160
22.0 Transportation of things.....	15	30	35
23.0 Rent, communications, and utilities.....	44	80	96
24.0 Printing and reproduction.....	318	710	1,100
25.1 Other services.....	5	15	18
25.2 Services of other agencies.....	82	120	170
26.0 Supplies and materials.....	12	15	20
31.0 Equipment.....	1	15	17
41.0 Grants, subsidies, and contributions.....	29,054	57,375	96,535
99.0 Total obligations.....	30,507	60,000	100,000

Personnel Summary

Total number of permanent positions.....	135	240	250
Average number of all employees.....	117	190	226
Average GS grade.....	7.8	8.0	8.0
Average GS salary.....	\$7,200	\$7,710	\$7,787
Average salary of ungraded positions.....	\$5,187	\$5,179	\$5,179

PERISHABLE AGRICULTURAL COMMODITIES ACT

(Permanent, indefinite)

Program and Financing (in thousands of dollars)

Identification code 05-32-5070-0-2-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Licensing dealers and handling complaints.....	815	940	940
Total program costs, funded ¹	815	940	940
Change in selected resources ²	2		
10 Total obligations.....	816	940	940

Program and Financing (in thousands of dollars)—Continued

Identification code 05-32-5070-0-2-355	1964 actual	1965 estimate	1966 estimate
Financing:			
16 Comparative transfers to other accounts.....	2		
21 Unobligated balance available, start of year.....	-145	-169	-124
23 Unobligated balance transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436).....	4		
24 Unobligated balance available, end of year.....	169	124	137
60 New obligational authority (appropriation).....	845	895	953
10 Total obligations.....	816	940	940
70 Receipts and other offsets (items 11-17).....	2		
71 Obligations affecting expenditures.....	818	940	940
72 Obligated balance, start of year.....	50	33	48
74 Obligated balance, end of year.....	-33	-48	-49
90 Expenditures.....	835	925	939

¹ Includes capital outlay as follows: 1964, \$3 thousand; 1965, \$3 thousand; 1966, \$3 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders 1963, \$0; 1964, \$2 thousand; 1965, \$2 thousand; 1966, \$2 thousand.

License fees are deposited in this special fund and are used to meet costs of administering the Perishable Agricultural Commodities and the Produce Agency Acts (7 U.S.C. 491-497, 499a-499s). Public Law 87-725, enacted October 1, 1962, authorizes an increase in fees from \$25 to a maximum of \$50. Effective January 1, 1963, the fee was increased to \$36.

These acts are intended to assure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (a) informal agreements between the two parties, (b) formal decisions involving payments of reparation awards, and (c) suspension or revocation of license and/or publication of the facts. Approximately 22,000 licenses were in effect on June 30, 1964, and a decrease of 500 is expected in 1965 due to the trend in the industry to fewer but larger dealers. The number of complaints received is expected to continue to average around 2,200.

Object Classification (in thousands of dollars)

Identification code 05-32-5070-0-2-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	661	753	753
11.3 Positions other than permanent.....	2	2	2
11.5 Other personnel compensation.....	1	2	2
Total personnel compensation.....	664	757	757
12.0 Personnel benefits.....	50	57	57
21.0 Travel and transportation of persons.....	41	55	55
22.0 Transportation of things.....	1	2	2
23.0 Rent, communications, and utilities.....	36	39	39
24.0 Printing and reproduction.....	8	10	10
25.1 Other services.....	5	6	6
26.0 Supplies and materials.....	6	7	7
31.0 Equipment.....	5	7	7
99.0 Total obligations.....	816	940	940

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
Total number of permanent positions.....	111	109	109
Average number of all employees.....	98	106	106
Average GS grade.....	7.8	8.0	8.0
Average GS salary.....	\$7,200	\$7,710	\$7,787
Average salary of ungraded positions.....	\$5,187	\$5,179	\$5,179

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES (SECTION 32)

(Permanent, indefinite)

No funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used for any purpose other than commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of the Interior as authorized by the Fish and Wildlife Act of August 8, 1956, (2) transfers otherwise provided in this Act, and (3) not more than \$2,924,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961, (4) not more than \$35,000,000 for expenses for the Pilot Food Stamp Program and (5) not in excess of \$12,175,000 to be used to increase domestic consumption of farm commodities pursuant to authority contained in Public Law 88-250, the Department of Agriculture and Related Agencies Appropriation Act, 1964, of which amount \$500,000 shall remain available until expended for construction, alteration and modification of research facilities. (Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-32-2266-0-1-351	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Commodity program payments:			
(a) Direct purchases.....	142,617	300,719	304,989
(b) Diversion payments.....	1,259		
(c) Export payments.....	2,616		
2. Surplus removal operating expenses.....	3,052	3,770	3,770
3. Marketing agreements and orders.....	1,985	2,924	2,924
Total program costs, funded ¹	151,529	307,413	311,683
Change in selected resources ²	112,794	-80,552	-----
10 Total obligations.....	264,323	226,861	311,683
Financing:			
16 Comparative transfers to other accounts.....	31,947	-----	-----
17 Recovery of prior year obligations.....	-150	-----	-----
21 Unobligated balance available, start of year.....	-300,000	-300,000	-300,000
22 Unobligated balance transferred from "Commodity Credit Corporation" (78 Stat. 868).....	-----	-44	-----
23 Unobligated balance transferred to "Operating expenses, Public Buildings Service, General Services Administration (77 Stat. 436).....	25	-----	-----
24 Unobligated balance available, end of year.....	300,000	300,000	300,000
25 Unobligated balance lapsing.....	3,757	-----	-----
New obligational authority.....	299,902	226,817	311,683
New obligational authority:			
Permanent authorization:			
60 Appropriation.....	369,392	378,907	390,000
61 Transferred to—			
"Promote and develop fishery products and research pertaining to American fisheries," Bureau of Commercial Fisheries, Department of the Interior (15 U.S.C. 713c as amended by Act of August 8, 1956).....	-5,373	-5,298	-5,200
"School lunch program," Agricultural Marketing Service (78 Stat. 868).....	-45,000	-45,000	-45,000

Program and Financing (in thousands of dollars)—Continued

Identification code 05-32-2266-0-1-351	1964 actual	1965 estimate	1966 estimate
New obligational authority—Continued			
Permanent authorization—Continued			
61 Transferred to—Continued.			
"Special milk program," Agricultural Marketing Service (78 Stat. 868).....	-----	-51,500	-----
"Food stamp program," Agricultural Marketing Service (78 Stat. 868).....	-----	-35,000	-----
"Salaries and expenses," Foreign Agricultural Service (78 Stat. 869).....	-3,117	-3,117	-3,117
"Commodity Credit Corporation" (78 Stat. 868).....	-16,000	-12,175	-----
"Salaries and expenses," Agricultural Research Service (78 Stat. 868).....	-----	-----	-24,600
"Payments and expenses," Cooperative State Research Service (78 Stat. 868).....	-----	-----	-400
63 Appropriation (adjusted).....	299,902	226,817	311,683
Relation of obligations to expenditures:			
10 Total obligations.....	264,323	226,861	311,683
70 Receipts and other offsets (items 11-17).....	31,797	-----	-----
71 Obligations affecting expenditures.....	296,120	226,861	311,683
72 Obligated balance, start of year.....	20,803	46,863	31,907
74 Obligated balance, end of year.....	-46,863	-31,907	-31,907
90 Expenditures.....	270,059	241,817	311,683

¹ Includes capital outlay as follows: 1964, \$23 thousand; 1965, \$25 thousand; 1966, \$28 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964 adjust- ments	1964	1965	1966
Stores.....	26,729	-----	39,453	39,453	39,453
Unpaid undelivered orders.....	9,477	-150	28,845	28,845	28,845
Advances.....	-----	-----	80,552	-----	-----
Total selected resources.....	36,206	-150	148,850	68,298	68,298

Under section 32 of the act of August 24, 1935, as amended (7 U.S.C. 612c), an amount equal to 30% of customs receipts collected during each calendar year (except for an amount equal to 30% of such receipts collected on fishery products transferred to the Department of Interior to encourage the distribution of fishery products), plus unused balances up to \$300 million are available for expanding domestic and foreign market outlets for farm commodities. As provided in recent appropriation acts, transfers have been made from this fund primarily to the school lunch program for the purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act. Section 32 funds are also authorized for the administration of marketing agreements and orders. The basic legislation provides that funds devoted to any one commodity or product thereof must not exceed 25% of funds available. It also provides that the funds must be devoted principally to perishable agricultural commodities other than those receiving price support under title II of the Agricultural Act of 1949, as amended. It has been determined that this provision can be legally satisfied by setting aside or reserving the principal portion of section 32 funds for the use of perishable nonbasic agricultural commodities.

1. *Commodity program payments* are of four types: (a) *Direct purchases* are donated to the school lunch program, charitable institutions serving needy persons, and persons certified by welfare agencies as eligible for relief; (b) *Diversion payments* enable processors to purchase surplus commodities on the domestic market, divert them to by-products and new uses, and sell them at prices comparable

AGRICULTURAL MARKETING SERVICE—Con.

General and special funds—Continued

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES (SECTION 32)—Continued

(Permanent, indefinite)—Continued

to competing products, thus creating new markets for surplus commodities; (c) *Export payments* enable exporters to purchase surplus commodities on the domestic market and sell them on the world market at competitive world prices; (d) *Production payments*, none of which were made in 1964, help to reestablish farmers' purchasing power. During the past 2 years assistance under these programs was given to the following commodity groups (in millions of dollars):

Obligations	1963	1964
Dairy products.....	-----	85.0
Eggs and poultry.....	24.4	27.0
Fruits.....	3.7	3.1
Grains.....	.1	4.7
Livestock products.....	58.9	123.0
Peanut butter.....	3.0	12.1
Tobacco.....	3.0	2.0
Vegetables.....	2.8	1.3
Miscellaneous.....	.2	1.0
Total.....	96.1	259.2

The use of section 32 program funds is contingent upon economic conditions. The estimates for both 1965 and 1966 reflect full use of available funds except for the \$300 million carryover. Within the total each year, provision will be made for the foreseeable needs for perishables and other activities regularly financed with section 32 funds. It is planned that any remaining amount may be used to buy from Commodity Credit Corporation commodities which would otherwise be donated under section 416.

Since it is not possible to determine what commodities will be in surplus in the future, it is not feasible to estimate the distribution of the commodity program purchases for 1966.

2. *Surplus removal operating expenses* occur mainly in connection with purchasing, exporting, and diverting surplus commodities and in distributing section 32 and Commodity Credit Corporation commodities to eligible outlets. Distribution in 1964, including those under section 6 of the National School Lunch Act, is summarized below (in millions):

Distribution	Number of recipients (peak month)	Value of commodities distributed	Pounds of commodities distributed
By recipients:			
School children.....	17.8	\$194.9	785.0
Needy persons.....	6.1	197.1	1,140.4
Persons in charitable institutions..	1.3	37.5	181.9
Total.....		\$429.5	2,107.3
By program:			
Section 32.....		\$125.7	433.6
Donation by Commodity Credit Corporation, section 416.....		244.6	1,416.8
Section 6, National School Lunch Act.....		59.2	256.9
Total.....		\$429.5	2,107.3

In cooperation with the food trade, press and radio, greater consumption of abundant foods is encouraged. In 1964 the monthly plentiful foods list contained an average of 7 foods, and 9 national and 29 area, State, and local drives were conducted.

3. *Marketing agreements and orders* are put into effect upon request of producers or handlers after hearings and investigations, and approval by producers (and handlers in case of marketing agreements). They help to stabilize prices and benefit producers and consumers by establishing and maintaining orderly marketing conditions. Administration at the local level is financed by assessments upon handlers. On June 30, 1964, there were 82 orders in effect for milk, 45 covering tree fruits, tree nuts, and vegetables and one order for shade-grown tobacco. The expenses of advisory committees established to advise the Secretary, public hearings, referenda to determine producer sentiment and other developmental work as authorized by the Agricultural Act of 1961 is also financed under this project.

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-32-2266-0-1-351			
Personnel compensation:			
11.1 Permanent positions.....	3,563	4,200	4,204
11.3 Positions other than permanent.....	36	45	45
11.5 Other personnel compensation.....	13	9	8
Total personnel compensation.....	3,612	4,254	4,257
12.0 Personnel benefits.....	266	315	315
21.0 Travel and transportation of persons.....	212	320	394
22.0 Transportation of things.....	9	20	20
23.0 Rent, communications, and utilities.....	181	217	238
24.0 Printing and reproduction.....	64	85	90
25.1 Other services.....	57	200	100
25.2 Services of other agencies.....	618	1,205	1,195
26.0 Supplies and materials.....	47	51	55
Grants of commodities to States.....	255,876	218,167	300,989
31.0 Equipment.....	14	27	30
41.0 Grants, subsidies, and contributions.....	3,367	2,000	4,000
99.0 Total obligations.....	264,323	226,861	311,683

Personnel Summary

Total number of permanent positions.....	507	513	538
Full-time equivalent of other positions.....	10	7	7
Average number of all employees.....	474	495	495
Average GS grade.....	7.8	8.0	8.0
Average GS salary.....	\$7,200	\$7,710	\$7,787
Average salary of ungraded positions.....	\$5,187	\$5,179	\$5,179

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation, funds appropriated to the President. "Economic assistance."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-32-3925-0-4-355			
Program by activities:			
1. Market news service:			
Department of Agriculture.....	92	105	97
State agencies under cooperative agreement.....	206	205	205
2. Inspection, grading, classing and standardization:			
Department of Agriculture.....	150	182	182
Other Federal agencies.....	12	10	10
Non-Federal sources.....	2,639	2,900	2,900

Program and Financing (in thousands of dollars)—Continued

Identification code 05-32-3925-0-4-355	1964 actual	1965 estimate	1966 estimate
Program by activities—Continued			
3. Marketing research information services.....		37	37
4. Miscellaneous services to other accounts.....	41	8	6
Total program costs, funded ¹	3,140	3,447	3,437
Change in selected resources ²	-11		
10 Total obligations.....	3,129	3,447	3,437
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts.....	-497	-334	-327
14 Non-Federal sources ³	-2,786	-3,056	-3,060
16 Comparative transfers to other accounts.....	231		
21.98 Unobligated balance available, start of year.....	-334	-257	-200
24.98 Unobligated balance available, end of year.....	257	200	150
New obligational authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	3,129	3,447	3,437
70 Receipts and other offsets (items 11-17).....	-3,052	-3,390	-3,387
71 Obligations affecting expenditures.....	77	57	50
72.98 Obligated balance, start of year.....	17	177	129
74.98 Obligated balance, end of year.....	-177	-129	-179
77 Adjustment in expired accounts.....	-9		
90 Expenditures.....	-92	106	

¹ Includes capital outlay as follows: 1964, \$3 thousand; 1965, \$3 thousand; 1966, \$3 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$9 thousand (1964 adjustments, \$2 thousand); 1964, \$0; 1965, \$0; 1966, \$0.

³ Reimbursements from non-Federal sources above include amounts from cooperating universities and State, county, local and private agricultural agencies (5 U.S.C. 563, 564); from States, municipalities, persons, or licensed tobacco inspectors for services rendered (7 U.S.C. 511e); from sale of photographic slides (7 U.S.C. 1387) and personal property (40 U.S.C. 481(c)); for overtime and holiday work performed at poultry processing plants and in connection with appeal inspections on grain (21 U.S.C. 468); (7 U.S.C. 78); and refund of terminal leave payments (5 U.S.C. 61b) from jury fees (5 U.S.C. 30p); and from importers in connection with reconditioning seed (7 U.S.C. 1582(a)).

1964 amounts exclude \$254 thousand of unfilled orders from other accounts at end of year which will become reimbursements of a subsequent year.

Object Classification (in thousands of dollars)

Identification code 05-32-3925-0-4-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	1,120	1,065	1,056
11.3 Positions other than permanent.....	48		
11.5 Other personnel compensation.....	1,607	2,064	2,064
Total personnel compensation.....	2,775	3,129	3,120
12.0 Personnel benefits.....	83	92	92
21.0 Travel and transportation of persons.....	115	80	80
22.0 Transportation of things.....	6	5	5
23.0 Rent, communications, and utilities.....	79	72	72
24.0 Printing and reproduction.....	5	4	4
25.1 Other services.....	6	5	4
25.2 Services of other agencies.....	45	52	52
26.0 Supplies and materials.....	12	6	6
31.0 Equipment.....	3	2	2
99.0 Total obligations.....	3,129	3,447	3,437

Personnel Summary

Total number of permanent positions.....	192	167	166
Full-time equivalent of other positions.....	10	0	0
Average number of all employees.....	149	147	146
Average GS grade.....	7.8	8.0	8.0
Average GS salary.....	\$7,200	\$7,710	\$7,787
Average salary of ungraded positions.....	\$5,187	\$5,179	\$5,179

FOREIGN AGRICULTURAL SERVICE

General and special funds:

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$20,488,000] \$20,574,000: Provided,** That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further,* That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service. (5 U.S.C. 511-512; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-36-2900-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. International trade.....	577	651	651
2. Agricultural attachés.....	3,769	4,314	4,394
3. Export programs.....	9,276	13,769	14,324
4. Commodity programs.....	2,406	2,584	2,584
5. Barter and stockpiling.....	588	591	591
6. General sales management.....	721	793	861
Total program costs, funded ¹	17,337	22,702	23,405
Change in selected resources ²	5,621	2,819	2,038
10 Total obligations.....	22,958	25,521	25,443
Financing:			
11 Receipts and reimbursements from Administrative budget accounts:			
"Limitation on administrative expenses, Commodity Credit Corporation".....	-1,340	-1,565	-1,692
Commodity Credit Corporation fund.....	-57	-60	-60
16 Comparative transfers from other accounts.....	-26		
25 Unobligated balance lapsing.....	268		
New obligational authority.....	21,804	23,896	23,691
New obligational authority:			
Current authorization:			
40 Appropriation.....	18,700	20,488	20,574
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655).....	-13	-14	
43 Appropriation (adjusted).....	18,687	20,474	20,574
44 Proposed supplemental due to civilian pay increases.....		305	
Permanent authorization:			
60 Appropriation.....	0	0	0
62 Transferred from "Removal of surplus agricultural commodities" (77 Stat. 827; 78 Stat. 869; annual appropriation act).....	3,117	3,117	3,117
63 Appropriation (adjusted).....	3,117	3,117	3,117

¹ Includes capital outlay as follows: 1964, \$167 thousand; 1965, \$165 thousand; 1966, \$165 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964 adjust- ments	1964	1965	1966
Unpaid undelivered orders.....	11,083	-467	15,599	18,252	20,154
Advances.....	494		1,132	1,298	1,434
Total selected resources.....	11,577	-467	16,731	19,550	21,588

FOREIGN AGRICULTURAL SERVICE—Continued

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-36-2900-0-1-355	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
10 Total obligations.....	22,958	25,521	25,443
70 Receipts and other offsets (items 11-17)....	-1,423	-1,625	-1,752
71 Obligations affecting expenditures.....	21,535	23,896	23,691
72 Obligated balance, start of year.....	15,507	19,707	23,746
74 Obligated balance, end of year.....	-19,707	-23,746	-26,950
77 Adjustments in expired accounts.....	-466		
90 Expenditures excluding pay increase supplemental.....	16,869	19,562	20,477
91 Expenditures from civilian pay increase supplemental.....		295	10

The primary function of the Foreign Agricultural Service is to help American agriculture maintain and expand foreign markets for its products.

The agency performs two principal kinds of service functions: (a) It helps to develop foreign markets for U.S. farm products through aggressive market promotion under special export programs and through helping to secure international trade conditions that are favorable toward our products; (b) it maintains a worldwide agricultural intelligence and reporting service to assist U.S. agricultural industry in its export operations. This is done through a continuous program of analyzing and reporting foreign agricultural production, markets, and policies.

1. *International trade.*—The Service directs and coordinates Department responsibilities in international trade agreement programs and negotiations, utilizing authority of the Trade Expansion Act. It identifies and seeks to reduce foreign barriers to U.S. agricultural exports. It continuously examines and reports on developments in foreign trade policies which affect U.S. trade policies and operations and recommends courses of action. (A current example is the European Economic Community whose Common Agricultural Policy threatens to reduce sales of certain U.S. agricultural products to the area.)

The Service recommends Department positions on trade agreements and international commodity agreements. It continuously reviews and reports trade regulations of countries signatory to the General Agreement on Tariffs and Trade as such regulations affect the movement of U.S. farm products in world trade.

It administers a program of import controls in accordance with Section 22 of the Agricultural Adjustment Act as amended, and is responsible for administering any import controls established under the new beef import control legislation of 1964.

2. *Agricultural attachés.*—The Service maintains agricultural attachés at 59 foreign posts who assist in the development of markets abroad for U.S. agricultural commodities, working closely with numerous U.S. agricultural trade groups. They maintain continuous contacts with foreign governments in the interest of obtaining more favorable import treatment for American farm products. They carry out a comprehensive schedule of reporting foreign agricultural production, marketing, and

trade policy developments as a means of keeping the U.S. agricultural industry currently informed.

3. *Export programs.*—The Service carries out export programs (a) to expand commercial sales of all U.S. farm products in world markets and (b) under the Public Law 480 program, to sell and ship U.S. surplus farm products to less developed countries under long-term dollar credit sales agreements authorized by title IV of Public Law 480 and under foreign currency sales agreements authorized by title I of Public Law 480. About three-fourths of U.S. agricultural exports are commercial sales for dollars. The Service works with 44 U.S. agricultural producer and trade groups in 67 countries in carrying out commercial sales promotion programs under cooperative agreements. Such programs are jointly financed. Contributions from the Service come from foreign currencies received in payment for surplus commodities sold under title I of Public Law 480.

About one-fourth of U.S. agricultural exports move under Public Law 480 programs, largely the title I sales of surplus commodities for foreign currencies and to a lesser but increasing extent the long-term dollar credit sales under title IV. The Service develops title I and title IV sales agreements with governments of friendly foreign countries and develops and negotiates title IV sales agreements with the U.S. or foreign private trade entities. The Service is responsible for export shipment of the commodities and for assurance that such commodities actually are received and utilized in the importing countries. Also the Service, under title III of Public Law 480, is responsible for initiating and programing contracts involving the donation of surplus food commodities made available to voluntary and intergovernmental agencies that operate in approximately 115 countries.

4. *Commodity programs.*—Information essential to foreign marketing of specific U.S. farm commodities is obtained, analyzed, and made available to U.S. farm and trade groups. Foreign agricultural competition similarly is analyzed and reported. Marketing programs, in which producers, exporters, and Government officials participate, are developed to maintain and expand the foreign market for U.S. farm products. Assistance is given to U.S. trade representatives in negotiations with foreign officials. Assistance is given to American exporters and foreign importers to bring them together under conditions favorable to trade.

5. *Barter and stockpiling.*—The Service, in cooperation with other government agencies, conducts a barter program designed to utilize surplus agriculture commodities, in lieu of dollars, in acquiring from other countries, goods, materials, and equipment required by other government agencies and for the national and supplemental stockpiles. This work is financed from other funds transferred from Administrative expenses, Commodity Credit Corporation.

6. *General sales management.*—The Service administers a general sales management program to develop export sales and related pricing policies and programs, including dollar sales on short and long-term credit. The program also includes price and quality review. Foreign data such as prices, stocks, and rail, truck, barge, and ocean freight rates and other market information is collected for use in program development. Information concerning prices and other sales terms, sales programs, and commodity availabilities is furnished to U.S. exporters, foreign importers, and foreign government officials. This work is financed with funds transferred from Administrative expenses, Commodity Credit Corporation.

Object Classification (in thousands of dollars)

Identification code 05-36-2900-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	7,013	7,737	7,874
11.3 Positions other than permanent.....	115	116	116
11.5 Other personnel compensation.....	120	104	104
Total personnel compensation	7,248	7,957	8,094
12.0 Personnel benefits.....	701	715	731
21.0 Travel and transportation of persons.....	803	957	947
22.0 Transportation of things.....	160	182	186
23.0 Rent, communications, and utilities.....	452	460	462
24.0 Printing and reproduction.....	190	167	166
25.1 Other services.....	12,523	14,088	13,522
25.2 Services of other agencies.....	639	755	1,095
26.0 Supplies and materials.....	105	118	116
31.0 Equipment.....	138	122	124
99.0 Total obligations	22,958	25,521	25,443

Personnel Summary

Total number of permanent positions.....	876	907	921
Full-time equivalent of other positions.....	17	16	16
Average number of all employees.....	840	853	871
Average GS grade.....	9.4	9.4	9.4
Average GS salary.....	\$9,561	\$9,985	\$9,995
Average salary of ungraded positions.....	\$3,346	\$3,331	\$3,360

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

Amounts heretofore appropriated under this head shall be available for payments in any foreign currencies owed to or owned by the United States.

Program and Financing (in thousands of dollar equivalents)

Identification code 05-36-2901-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Market development projects (program costs, funded).....	1,081	2,676	2,398
Change in selected resources ¹	1,311	-1,176	-613
10 Total obligations	2,392	1,500	1,785
Financing:			
17 Recovery of prior year obligations.....	-848		
21 Unobligated balance available, start of year.....	-6,915	-5,370	-3,870
24 Unobligated balance available, end of year.....	5,370	3,870	2,085
New obligational authority			
Relation of obligations to expenditures:			
10 Total obligations.....	2,392	1,500	1,785
70 Receipts and other offsets (items 11-17).....	-848		
71 Obligations affecting expenditures.....	1,544	1,500	1,785
72 Obligated balance, start of year.....	8,625	7,104	5,804
74 Obligated balance, end of year.....	-7,104	-5,804	-5,126
90 Expenditures	3,066	2,800	2,463

¹ Selected resources as of June 30 are as follows:

	1963	1964 adjust- ments	1964	1965	1966
Unpaid undelivered orders.....	5,417	-848	5,989	4,892	4,321
Advances.....	548		439	360	318
Total selected resources	5,965	-848	6,428	5,252	4,639

Market development projects.—Foreign currencies generated by the sale of surplus agricultural commodities under title I of the Agricultural Trade Development and

Assistance Act of 1954, as amended, as well as foreign currencies acquired by the United States from other sources, are used by the Foreign Agricultural Service to develop new foreign markets and expand existing markets for U.S. agricultural commodities, including cotton, dairy products, fats and oils, grain, feed, livestock and meat, poultry, fruits and vegetables, and tobacco.

The type of market development projects being carried out include sales promotion campaigns, trade fairs and exhibits, nutrition demonstrations, and market analyses. In 1966 it is planned that the unobligated balance brought forward in this appropriation will be used to purchase those currencies necessary to carry on the program. Dollar funds for use in other countries are included in the appropriation Salaries and expenses.

Object Classification (in thousands of dollars)

Identification code 05-36-2901-0-1-355	1964 actual	1965 estimate	1966 estimate
FOREIGN AGRICULTURAL SERVICE			
11.1 Personnel compensation: Permanent positions.....	68	66	65
12.0 Personnel benefits.....	2	2	2
21.0 Travel and transportation of persons.....	149	109	131
22.0 Transportation of things.....	1	1	1
23.0 Rent, communications, and utilities.....	40	29	35
24.0 Printing and reproduction.....	2	1	2
25.1 Other services.....	1,517	1,107	1,331
25.2 Services of other agencies.....	503	170	200
26.0 Supplies and materials.....	10	7	8
31.0 Equipment.....	11	8	10
Total obligations, Foreign Agricultural Service	2,303	1,500	1,785
ALLOCATION TO COMMERCE			
22.0 Transportation of things.....	11		
23.0 Rent, communications, and utilities.....	23		
25.1 Other services.....	53		
26.0 Supplies and materials.....	2		
Total obligations, Commerce	89		
99.0 Total obligations	2,392	1,500	1,785

Personnel Summary

Total number of permanent positions.....	31	29	25
Average number of all employees.....	31	29	25
Average salary of ungraded positions.....	\$3,346	\$3,331	\$3,360

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments and allocations from other accounts are included in the schedules of the parent appropriations as follows: Funds appropriated to the President, "Economic assistance."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-36-3991-0-4-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Commodity Credit Corporation representatives for sales, barter, and stockpiling.....	2	2	2
2. Market development projects.....	3		

FOREIGN AGRICULTURAL SERVICE—Continued**Intragovernmental funds—Continued****ADVANCES AND REIMBURSEMENTS—Continued****Program and Financing (in thousands of dollars)—Continued**

Identification code 05-36-3991-0-4-355	1964 actual	1965 estimate	1966 estimate
Program by activities—Continued			
3. Sale of personal property.....	7	9	9
4. Miscellaneous service to other accounts.....	51	69	69
10 Total program costs, funded—obligations.....	63	80	80
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts.....	-53	-71	-71
14 Non-Federal sources ¹	-10	-9	-9
New obligational authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	63	80	80
70 Receipts and other offsets (items 11-17).....	-63	-80	-80
71 Obligations affecting expenditures.....			
90 Expenditures.....			

¹ Reimbursements from non-Federal sources are the proceeds of space rentals and sale of exhibit commodities (5 U.S.C. Supp. III 577) and proceeds from the sale of personal property being replaced (40 U.S.C. 481(c)).

Object Classification (in thousands of dollars)

Identification code 05-36-3991-0-4-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	36	37	37
11.5 Other personnel compensation.....	5	3	3
Total personnel compensation.....	41	40	40
12.0 Personnel benefits.....	3	5	5
21.0 Travel and transportation of persons.....	1	7	7
22.0 Transportation of things.....		3	3
25.1 Other services.....	3	2	2
25.2 Services of other agencies.....	8	14	14
31.0 Equipment.....	7	9	9
99.0 Total obligations.....	63	80	80

Personnel Summary

Total number of permanent positions.....	3	3	3
Average number of all employees.....	3	3	3
Average GS grade.....	9.4	9.4	9.4
Average GS salary.....	\$9,561	\$9,985	\$9,995

INTERNATIONAL AGRICULTURAL DEVELOPMENT SERVICE

The Service administers the Department's responsibilities in the agricultural phases of the foreign economic assistance programs. This includes direction of the Department's activities under agreement with AID, particularly in agricultural assistance and training programs for foreign areas. It maintains relationships with international and U.S. organizations, including the land-grant institutions, farm organizations, foundations, and other agricultural groups to utilize the scientific and

institutional competence of American agriculture in carrying out such programs. The Service is financed entirely with funds allocated from the Agency for International Development.

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation. Funds appropriated to the President. "Economic assistance".

COMMODITY EXCHANGE AUTHORITY**General and special funds:****SALARIES AND EXPENSES**

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17a), [\$1,119,000] \$1,169,000. (Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-40-1900-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Licensing and auditing of brokerage houses.....	283	288	288
2. Supervision of futures trading.....	549	623	623
3. Investigations.....	215	258	258
Total program costs, funded ¹	1,047	1,169	1,169
Change in selected resources ²	4		
10 Total obligations.....	1,051	1,169	1,169
Financing:			
16 Comparative transfers to other accounts.....	42		
25 Unobligated balance lapsing.....	3		
New obligational authority.....	1,095	1,169	1,169
New obligational authority:			
40 Appropriation.....	1,095	1,119	1,169
44 Proposed supplemental due to civilian pay increases.....		50	
Relation of obligations to expenditures:			
10 Total obligations.....	1,051	1,169	1,169
70 Receipts and other offsets (items 11-17).....	42		
71 Obligations affecting expenditures.....	1,092	1,169	1,169
72 Obligated balance, start of year.....	79	54	64
74 Obligated balance, end of year.....	-54	-64	-74
90 Expenditures excluding pay increase supplemental.....	1,117	1,119	1,149
91 Expenditures from civilian pay increase supplemental.....		40	10

¹ Includes capital outlay as follows: 1964, \$3 thousand; 1965, \$2 thousand; 1966, \$2 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$3 thousand; 1964, \$7 thousand; 1965, \$7 thousand; 1966, \$7 thousand.

The major objectives of the Commodity Exchange Authority are to maintain fair and competitive pricing in the commodity futures markets by preventing manipulation and other abusive trading practices. Enforcement of the Commodity Exchange Act requires supervision over 18 regulated commodities on 17 exchanges currently designated as contract markets. The amount of futures trading in fiscal year 1964 was greater than in any previous year of market regulation under the Commodity Exchange

Act. Transactions were estimated at 12.7 million with an estimated value of 60.4 billion dollars, a substantial increase over 1963 trading which involved 10.7 million transactions at an estimated value of 45.3 billion dollars.

1. *Licensing and auditing of brokerage houses.*—This consists of (a) prevention of the misuse of customers' funds by the analysis of financial statements of futures commission merchants and the periodic audits of their books and records; and (b) annual registration of futures commission merchants and floor brokers.

AUDITS AND REGISTRATIONS

	1964 actual	1965 estimate	1966 estimate
Audit of customers' segregated funds.....	492	560	560
Accounts examined.....	35,422	38,000	38,000
Financial statements examined.....	430	500	500
Futures commission merchants registered.....	425	440	440
Floor brokers registered.....	752	750	750

2. *Supervision of futures trading.*—This embraces (a) examination and analysis of reports and other market data, making market position surveys, and publication of reports on market situations; (b) establishment, review, and enforcement of speculative limits; and (c) cooperative activities with control committees of contract markets.

REPORTS TABULATED AND ANALYZED

	1964 actual	1965 estimate	1966 estimate
Daily trading volume and open contracts.....	191,771	200,000	200,000
Daily and weekly reports on large traders.....	331,506	400,000	400,000
Delivery notices.....	80,286	75,000	75,000

3. *Investigations.*—Apparent or alleged violations of the law and regulations are investigated, and trade practice surveys are made to discover violations. The Authority also prepares and presents evidence of violations in administrative hearings and judicial proceedings. Exchange rules and regulations are reviewed to insure that legal requirements are met.

INVESTIGATIONS AND PROCEEDINGS

	1964 actual	1965 estimate	1966 estimate
Compliance investigations completed.....	53	50	55
Trade practice investigations completed.....	2	4	4
Criminal prosecutions instituted.....	1	1	1
Administrative proceedings instituted.....	8	7	7

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-40-1900-0-1-355			
Personnel compensation:			
11.1 Permanent positions.....	896	1,012	1,012
11.5 Other personnel compensation.....	1	1	1
Total personnel compensation.....	897	1,013	1,013
12.0 Personnel benefits.....	67	76	76
21.0 Travel and transportation of persons.....	14	15	15
22.0 Transportation of things.....	1	1	1
23.0 Rent, communications, and utilities.....	28	31	31
24.0 Printing and reproduction.....	13	10	10
25.1 Other services.....	11	5	5
25.2 Services of other agencies.....	6	7	7
26.0 Supplies and materials.....	8	8	8
31.0 Equipment.....	6	3	3
99.0 Total obligations.....	1,051	1,169	1,169

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
Total number of permanent positions.....	122	126	126
Average number of all employees.....	116	123	123
Average GS grade.....	7.6	7.7	7.7
Average GS salary.....	\$7,698	\$8,161	\$8,239

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

General and special funds:

EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948, as amended (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(d), 16(e), 16(f), 16(h), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q; 7 U.S.C. 1010-1011) [as added by section 132 of the Act of August 8, 1961]; subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816); and laws pertaining to the Commodity Credit Corporation, [\$105,602,000] \$138,350,000: *Provided*, That, in addition, not to exceed [\$87,508,000] \$75,390,000 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund (including not to exceed [\$35,668,000] \$34,874,000 under the limitation on Commodity Credit Corporation administrative expenses): *Provided further*, That other funds made available to Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this appropriation: *Provided further*, That no part of the funds appropriated or made available under this Act shall be used, (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program function prescribed in administrative regulations. (7 U.S.C. 281, 442-445, 608c, 624, 1100-1112 note, 1114, 1117, 1123, 1282, 1301, 1301 note, 1314b, 1331 note-1333 note, 1334, 1334 note, 1335 note-1337 note, 1340 note, 1344, 1353, 1371 note, 1379a-1379j, prec. 1380a, 1385, 1385 note, 1388, 1391c, 1392, 1421-1432, 1441-1449, 1641-1697, 1701-1709, 1721-1724, 1731-1736, 1741-1747, 1808, 1813, 1831, 1851-1854, 1856-1857, 1859-1860, 1923, 1926, 1929, 1942, 1991; 14 U.S.C. 763; 15 U.S.C. 712a, 713a-10, 713a-13, 714-714p; 16 U.S.C. 460d-2, 590p, 590p notes, 590g-590h, 1004-1005; 22 U.S.C. 287i-287l, 1922; 31 U.S.C. 841, 846-852, 866-868c, 869; 33 U.S.C. 701b note; 47 U.S.C. 303, 319, 330, prec. 390; 50 U.S.C. App. 1917; 71 Stat. 290; 76 Stat. 218; 78 Stat. 173-183; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-44-3300-0-1-351			
Program by activities:			
1. Program formulation and appraisal.....	3,871	3,851	3,864
2. Operation of supply adjustment, conservation, and price support programs.....	187,933	181,122	187,112
3. Inventory management and merchandising.....	30,052	30,804	30,240
Total program costs, funded ¹	221,856	215,777	221,216
Change in selected resources ²	914		
10 Total obligations.....	222,770	215,777	221,216
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts:			
Commodity Credit Corporation Fund.....	-91,379	-97,935	-72,811
Emergency preparedness functions.....	-90	-91	-182
Area redevelopment program (Commerce).....	-75	-38	
Other.....	-3,386	-3,238	-3,245
14 Non-Federal sources ³	-13,144	-5,923	-6,628
16 Comparative transfers to other accounts.....	5,346		
25 Unobligated balance lapsing.....	101		
New obligational authority.....	120,143	108,552	138,350

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued

General and special funds—Continued

EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-44-3300-0-1-351	1964 actual	1965 estimate	1966 estimate
New obligational authority:			
40 Appropriation.....	120,150	105,602	138,350
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (76 Stat. 436).....	-7		
43 Appropriation (adjusted).....	120,143	105,602	138,350
44 Proposed supplemental due to civilian pay increases.....		2,950	
Relation of obligations to expenditures:			
10 Total obligations.....	222,770	215,777	221,216
70 Receipts and other offsets (items 11-17).....	-102,728	-107,225	-82,866
71 Obligations affecting expenditures.....	120,042	108,552	138,350
72 Obligated balance, start of year.....	6,836	9,292	6,284
74 Obligated balance, end of year.....	-9,292	-6,284	-7,933
77 Adjustments in expired accounts.....	-741		
90 Expenditures excluding pay increase supplemental.....	116,845	108,685	136,626
91 Expenditures from civilian pay in- crease supplemental.....		2,875	75

¹ Includes capital outlay as follows: 1964, \$219 thousand; 1965, \$219 thousand; 1966, \$219 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964 ad- just- ments	1964	1965	1966
Stores.....	106		136	136	136
Unpaid, undelivered orders.....	2,040	-753	2,172	2,172	2,172
Total selected resources.....	2,146	-753	2,308	2,308	2,308

³ Reimbursements from non-Federal sources above are in large part service charges from producers, and receipts from sales of aerial photographs (7 U.S.C. 1387).

This account includes funds to cover expenses of programs administered by, and functions assigned to, the Agricultural Stabilization and Conservation Service. The funds consist of direct appropriation, transfers from the Commodity Credit Corporation, and miscellaneous advances from other sources. This is a consolidated account for administrative expenses of National, commodity, State, and county offices.

The commodity offices and the data processing center in Kansas City play an important role in administering price support programs and the field operations stemming from producer loan and purchase agreements, inventory management, and merchandising activities.

The State committees are in general administrative charge of all programs carried out in their respective States. Within the framework of national policy, they determine the policies to be followed and direct the adaptation of national programs to the State.

The Agricultural Stabilization and Conservation county committees are responsible for the local administration of programs. They carry out all functions dealing directly with farmers. The elected county committee is in charge of the county office.

The programs and activities carried out by this Service include: agricultural conservation program, acreage allotment and marketing quota programs, Sugar Act program,

conservation reserve program, cropland conversion program, wheat diversion program, feed grain program, Wool Act program, granary storage program, and price support and related programs.

The activities carried out by the Agricultural Stabilization and Conservation Service fall within three major categories:

1. *Program formulation and appraisal.*—The supply adjustment, conservation, and the price support programs and the management and merchandising of commodities acquired under the price support program, have a tremendous impact on the national and, to a lesser extent, the international economy. This activity provides for constant review of the effectiveness of these programs. It also provides for the analysis of data to formulate even more effective programs.

2. *Operation of supply adjustment, conservation, and price support programs.*—This activity includes all functions dealing with the administration of programs carried out through the farmer committee system, including: (a) developing program regulations and procedures, (b) holding meetings with employees and producers to discuss new programs or changes in existing programs, (c) collecting and compiling basic data for individual farms, (d) establishing individual farm allotments, (e) establishing proportionate shares for sugar farms, when necessary, (f) notifying producers of allotments, proportionate shares, productivity indexes, and payment rates, (g) determining farm marketing allocations, (h) handling appeals, (i) determining county normal yields, (j) conducting referendums and certifying results, (k) checking compliance with acreage allotments and use of diverted acres, (l) developing pooling agreements under which several farmers work jointly to solve a common conservation problem which cannot be solved by individual action, (m) issuing marketing cards so that production from the allotted acreage can be marketed without penalty, (n) processing producer requests for conservation cost-sharing, and (o) processing commodity loan documents and issuing sight drafts.

3. *Inventory management and merchandising.*—This activity includes (a) overall management of CCC-owned commodities including inspection of commercial storage facilities and stored commodities, (b) selling commodities, (c) donating commodities, and (d) accounting for loans and commodities. The value of the commodities under loan and in inventory is currently estimated at about \$5 billion.

The volume of work under some of the major programs financed from this account is set forth below:

ACREAGE ALLOTMENTS AND MARKETING QUOTAS (1963 PROGRAM)

	Number of allotments	Counties in program
Tobacco.....	580,978	935
Peanuts.....	118,805	508
Wheat.....	1,607,563	2,620
Cotton.....	856,088	1,092
Rice.....	14,460	157

AGRICULTURAL CONSERVATION PROGRAM (1963 PROGRAM)

Requests for cost-sharing.....	2,330,208
Conservation materials and services orders.....	1,264,007
Applications for payment.....	1,964,909
Pooling agreements.....	3,694

SUGAR ACT PROGRAM (1963 PROGRAM)

Participating ownership tracts.....	43,921
Estimated planted acreage.....	2,199,753
Fields measured for abandonment.....	4,862

CONSERVATION RESERVE PROGRAM (1964 PROGRAM)

Number of whole farm contracts.....	191,446
Number of part farm contracts.....	59,040

FEED GRAIN PROGRAM (1964 PROGRAM)

Number of farms signed up.....	1,300,474
Number of intended diverted acres.....	34,312,000

WHEAT DIVERSION PROGRAM (1964 PROGRAM)

Number of farms signed up.....	610,127
Number of intended diverted acres.....	5,360,627

PRICE SUPPORT PROGRAM (1964 FISCAL YEAR)

Reinspection of farm-stored loans.....	932,631
Number of loan repayments received.....	363,098
Farm-stored loans taken over.....	254,596
Purchase agreement settlements.....	18,589
Number of warehouses.....	240,782
Number of warehouse loans acquired.....	155,694

WOOL ACT PROGRAM (1964 FISCAL YEAR)

Number of applications for payment.....	495,775
Number of assignments.....	9,498

LOAN SERVICE CHARGES (1964 FISCAL YEAR)

Number of farm storage loans.....	433,781
Number of warehouse loans.....	201,853
Number of farm storage facility and mobile dryer loan applications.....	10,369

Object Classification (in thousands of dollars)

Identification code 05-44-3300-0-1-351	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	40,847	43,209	43,401
11.3 Positions other than permanent.....	2,855	3,596	2,916
11.5 Other personnel compensation.....	842	977	977
Total personnel compensation.....	44,544	47,782	47,294
12.0 Personnel benefits.....	3,312	3,520	3,488
21.0 Travel and transportation of persons.....	3,787	3,700	3,700
22.0 Transportation of things.....	429	400	400
23.0 Rent, communications, and utilities.....	8,227	8,000	7,800
24.0 Printing and reproduction.....	1,687	1,600	1,600
25.1 Other services.....	1,203	1,200	1,200
25.2 Services of other agencies.....	1,678	1,090	1,070
26.0 Supplies and materials.....	1,241	1,100	1,100
31.0 Equipment.....	284	300	200
41.0 Grants, subsidies, and contributions.....	152,288	146,850	153,132
42.0 Insurance claims and indemnities.....	2		
44.0 Refunds.....	3,852		
Total obligations, Agricultural Stabilization and Conservation Service.....	222,534	215,542	220,984
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	175	184	166
11.3 Positions other than permanent.....		3	3
Total personnel compensation.....	175	187	169
12.0 Personnel benefits.....	14	15	14
21.0 Travel and transportation of persons.....	10	12	10
22.0 Transportation of things.....	7	7	6
23.0 Rent, communications, and utilities.....	7	5	5
25.1 Other services.....	6	1	1
25.2 Services of other agencies.....	9		
26.0 Supplies and materials.....	1	2	2
31.0 Equipment.....	1	1	1
41.0 Grants, subsidies, and contributions.....	6	5	24
Total obligations, allotment accounts.....	236	235	232
99.0 Total obligations.....	222,770	215,777	221,216

Object Classification (in thousands of dollars)—Continued

	1964 actual	1965 estimate	1966 estimate
Obligations are distributed as follows:			
Agricultural Stabilization and Conservation Service.....	222,534	215,542	220,984
Forest Service.....	147	160	155
Office of General Counsel.....	54	75	77
Economic Research Service.....	35		

Personnel Summary

Total number of permanent positions.....	6,042	5,786	5,732
Full-time equivalent of other positions.....	612	727	546
Average number of all employees.....	6,418	6,376	6,187
Average GS grade.....	6.9	7.2	7.2
Average GS salary.....	\$7,000	\$7,579	\$7,640

ALLOTMENT ACCOUNTS

Total number of permanent positions.....	23	23	21
Full-time equivalent of other positions.....	0	1	1
Average number of all employees.....	20	22	20
Average GS grade.....	7.7	8.0	8.0
Average GS salary.....	\$7,809	\$8,058	\$8,108

SUGAR ACT PROGRAM

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U.S.C. 1101-1161), [\$90,000,000] \$95,000,000, to remain available until June 30 of the next succeeding fiscal year. (Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-44-3305-0-1-351	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Payments to sugar producers:			
a. Continental beet area.....	45,812	50,784	56,103
b. Continental cane area.....	13,159	14,889	15,361
c. Offshore cane area.....	19,029	24,327	23,536
10 Total program costs, funded—obligations (object class 41.0).....	78,000	90,000	95,000
Financing:			
40 New obligational authority (appropriation).....	78,000	90,000	95,000
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	78,000	90,000	95,000
72 Obligated balance, start of year.....	9,646	547	546
74 Obligated balance, end of year.....	-547	-546	-542
77 Adjustments in expired accounts.....	-28		
90 Expenditures.....	87,071	90,001	95,004

Total U.S. requirements and quotas are determined to provide consumers with adequate supplies of sugar at reasonable prices, to protect the domestic sugar industry, and to promote the export trade of the United States. The quota for each domestic area is allotted to individual sellers when necessary to achieve orderly marketing, and restrictive farm acreage allotments are established for producers when necessary to avoid surpluses.

Payments, which supplement the income of domestic producers of cane and beets, require compliance with specified conditions of employment, production and price.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued

General and special funds—Continued

SUGAR ACT PROGRAM—Continued

Payments are also made for abandonment of planted acreage and crop deficiencies on harvested acreage due to natural calamities.

Production estimates for the 1965 crop year assume that restrictive proportionate shares will be established on the 1965 sugarcane crop in the Mainland cane area and on the 1965 sugarbeet crop. Production estimates for the 1964 continental beet and cane crops exceed production estimated in the 1965 Budget. Accordingly, a supplemental appropriation for 1965 is proposed for separate transmittal.

Tax collections from imports of sugar exceed total obligations by nearly \$542 million for fiscal years 1938 through 1964.

Estimated production by areas is shown in the following table:

THOUSANDS OF SHORT TONS, RAW VALUE

Area	1963 crop year	1964 crop year	1965 crop year
Continental beet area.....	3,100	3,250	3,150
Continental cane area.....	1,184	1,200	1,200
Hawaii.....	1,101	1,179	1,150
Puerto Rico.....	989	950	1,050
Virgin Islands.....	16	16	10
Total.....	6,390	6,595	6,560

Proposed for separate transmittal:

SUGAR ACT PROGRAM

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-44-3305-1-1-351			
Program by activities:			
1. Payments to sugar producers:			
(a) Continental beet area.....		9,062	
(b) Continental cane area.....		2,500	
(c) Offshore cane area.....		1,438	
10 Total program costs, funded— obligations.....		13,000	
Financing:			
40 New obligational authority (proposed sup- plemental appropriation).....		13,000	
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....		13,000	
90 Expenditures.....		13,000	

Under existing legislation, 1965.—A supplemental appropriation for fiscal year 1965 in the amount of \$13 million is proposed for separate transmittal. Current forecasts indicate that production will be substantially more than anticipated under the 1965 appropriation. The proposed supplemental appropriation would provide the additional funds necessary for 1964 crop payments.

AGRICULTURAL CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g-590(o), 590p(a), and 590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, [\$225,000,000] \$220,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the programs of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Related Agencies Appropriation Acts, [1963] 1964 and [1964] 1965, carried out during the period July 1, [1962] 1963, to December 31, [1964] 1965, inclusive: *Provided*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3 (III), 4 (IV), and 5 (V) in United States Department of the Interior, Fish and Wildlife Service Circular 39, Wetlands of the United States, 1956: *Provided further*, That necessary amounts shall be available for administrative expenses in connection with the formulation and administration of the [1965] 1966 program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices, under the Act of February 29, 1936, as amended (amounting to [\$220,000,000] \$120,000,000, excluding administration, except that no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That not to exceed 5 per centum of the allocation for the current year's agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the current year's program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels. (7 U.S.C. 1010-1011, 1334 notes, 1379a note, 1427, 1923; 16 U.S.C. 590g-590h, 590p-1; 22 U.S.C. 287i-287l; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-44-3315-0-1-354			
Program by activities:			
10 Cost-sharing assistance to farmers (costs—obligations)(object class 41.0)	220,000	220,000	120,000
Financing:			
49 New obligational authority (contract authorization) (77 Stat. 828, 78 Stat. 870)	220,000	220,000	120,000
Relation of obligations to expenditures:			
71 Total obligations (affecting expendi- tures)	220,000	220,000	120,000
Obligated balance, start of year (alloca- tion to States):			
72.40 Appropriation	10,398	11,681	11,095
72.49 Contract authorization	220,000	225,000	220,000
Obligated balance, end of year (alloca- tion to States):			
74.40 Appropriation	-11,681	-11,095	-8,322
74.49 Contract authorization	-225,000	-220,000	-120,000
77 Adjustments in expired accounts	-154		
90 Expenditures	213,563	225,586	222,773

Note.—Obligations and balances in this schedule are based on allocations to States.

Status of Unfunded Contract Authorization (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Unfunded balance, start of year	220,000	225,000	220,000
Contract authorization	220,000	220,000	120,000
Unfunded balance, end of year	-225,000	-220,000	-120,000
Appropriation to liquidate contract au- thorization	215,000	225,000	220,000

This program is designed to encourage conservation by sharing with farmers, ranchers, and woodland owners the cost of carrying out approved soil-building and soil- and water-conserving practices, including related wildlife-conserving practices, which farmers generally would not perform to the needed extent with their own resources. The rate of cost-sharing (which may be in the form of conservation materials and services or a payment after completion of the practice) averages approximately 50% of the cost.

Conservation measures for which cost-sharing is offered include those which are primarily for (1) establishment of permanent protective cover, (2) improvement and protection of established vegetative cover, (3) conservation and disposal of water, (4) establishment of temporary vegetative cover, (5) temporary protection of soil from wind and water erosion, and (6) benefits to wildlife.

Under the 1963 program, new or additional practices were established on 1,127,980 farms and ranches, consisting of 169 million acres of cropland and 405 million acres of farmland. The following practices, along with others, were installed under the 1963 program:

[In thousands]

Constructing water storage reservoirs.....	structures..	57
Constructing terraces.....	acres..	651
Establishing stripcropping systems.....	acres..	355
Establishing permanent sod waterways.....	acres..	42
Establishing or improving enduring vegetative cover.....	acres..	5,493
Controlling competitive shrubs on range or pasture.....	acres..	1,963
Water supply and management on existing cropland and pasture through:		
Better irrigated land practices.....	farms..	25
Better drainage practices.....	farms..	53
Planting trees and shrubs.....	acres..	224
Improving stands of forest trees.....	acres..	183

Funds are distributed among the States on the basis of conservation needs. They are, in turn, distributed by the agricultural stabilization and conservation State committees to counties, and the agricultural stabilization and conservation county committees make commitments of conservation practice cost-sharing to eligible persons.

Loans from Commodity Credit Corporation are used to make advance payments to vendors for conservation materials and services furnished to farmers and ranchers prior to the time funds are appropriated each year. Repayment is made from balances of prior appropriations or from new funds appropriated.

The status of the loan account is (in thousands of dollars):

AMOUNTS REPAYED OR ESTIMATED TO BE REPAYED ON COMMODITY CREDIT CORPORATION LOANS

[In thousands of dollars]

	1964 actual	1965 estimate	1966 estimate	Total
1963 loan.....	50,000			50,000
Balance of 1964 loan.....		49,360		49,360
1965 loan.....			50,000	50,000
Total.....	50,000	49,360	50,000	149,360
Interest.....	(433)	(681)	(681)	(1,795)

A level of \$120 million for the 1966 program is proposed excluding administrative expenses. Payments for the 1966 program will be made from the 1967 appropriation.

CROPLAND CONVERSION PROGRAM

For necessary expenses to promote the conservation and economic use of land pursuant to the provisions of section 16(e) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h, 590p), as amended, ["\$15,000,000"] \$10,000,000, to remain available until expended. (*Department of Agriculture and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-44-3333-0-1-351			
Program by activities:			
1. Adjustment, cost-sharing and technical assistance.....	9,354	15,000	10,000
2. Repayment of advance from Commodity Credit Corporation.....	1,996		
10 Total program costs, funded—obligations (object class 41.0)	11,350	15,000	10,000
Financing:			
21.49 Unobligated balance available, start of year: Contract authorization.....	-11,350	-10,000	

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued

General and special funds—Continued

CROPLAND CONVERSION PROGRAM—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1964 actual	1965 estimate	1966 estimate
05-44-3333-0-1-351			
Financing—Continued			
24.49 Unobligated balance available, end of year: Contract authorization.....	10,000	-----	-----
25.49 Unobligated balance lapsing: Contract authorization.....	-----	5,000	-----
69 New obligational authority (permanent contract authorization) (76 Stat. 607).....	10,000	10,000	10,000
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	11,350	15,000	10,000
Obligated balance, start of year:			
72.40 Appropriation.....		2,257	3,095
72.49 Contract authorization.....	-1,996	-----	-----
74.40 Obligated balance, end of year: Appropriation.....	-2,257	-3,095	-4,665
90 Expenditures.....	7,097	14,162	8,430

Status of Unfunded Contract Authorization (in thousands of dollars)

Unfunded balance, start of year.....	11,350	10,000	-----
Contract authorization (permanent).....	10,000	10,000	10,000
Unfunded balance, lapsing.....	-----	-5,000	-----
Unfunded balance, end of year.....	-10,000	-----	-----
Appropriation to liquidate contract authorization.....	11,350	15,000	10,000

This program provides for long-range agreements with farm and ranch owners and operators to make changes in their cropping systems and land-uses. These actions (1) change permanently to better productive use cropland that is not well suited for crop use, and (2) temporarily shift to better productive use land that is suitable for crop use but not currently needed for crops.

The agreements provide for payments, the furnishing of materials and services, and other assistance to farmers in consideration of their obligations to change the land-use and to install and maintain conservation practices. Agreements are for 5 or 10 years. Adjustment payments are made either upon approval of the contracts or in installments within a period of not more than 5 years. Land treatment practice payments are made after the practice is installed.

Present legislation provides a limitation of \$10 million on payments which are required to be made in a calendar year under signed agreements.

CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816), and to carry out liquida-

tion activities for the acreage reserve program, to remain available until expended, **[\$194,000,000] \$150,000,000**, with which may be merged the unexpended balances of funds heretofore appropriated for soil bank programs: *Provided*, That no part of these funds shall be paid on any contract which is illegal under the law due to the division of lands for the purpose of evading limits on annual payments to participants. (16 U.S.C. 590p; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-44-3369-0-1-351			
Program by activities:			
Conservation reserve program (program costs—funded) ¹	294,132	194,000	150,000
Change in selected resources ²	-8	-----	-----
10 Total obligations (object class 41.0).....	294,124	194,000	150,000
Financing:			
21 Unobligated balance available, start of year.....	-124	-----	-----
40 New obligational authority (appropriation).....	294,000	194,000	150,000
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	294,124	194,000	150,000
72 Obligated balance, start of year.....	1,005	5,196	2,201
74 Obligated balance, end of year.....	-5,196	-2,201	-----
90 Expenditures.....	289,933	196,995	152,201

¹ Includes capital outlay as follows: 1964, \$6 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964	1965
Advances.....	6	-----	-----
Unpaid undelivered orders.....	2	-----	-----
Total selected resources.....	8	-----	-----

This program, initiated in 1956, has as its objectives (1) the adjustment of total crop acreage more nearly in line with demand by withdrawing cropland from production, and (2) establishment and maintenance of sound conservation practices on the land withdrawn. The Secretary was authorized, through calendar year 1960, to enter into 3- to 15-year contracts with producers. In return for removing designated cropland from production and for establishing necessary conservation practices, the producer receives an annual rental payment each year of the contract period, and cost-sharing assistance for the establishment of the required practices. The total annual rental payments to a producer are limited to \$5 thousand.

Participation in the program is summarized below:

Number of contracts, 1964 program.....	166,751
Number of acres, 1964 program.....	17,249,256
Payments made in program year 1963, estimated.....	\$289,933,265
Estimated payments to be made in program year 1964.....	\$196,994,627

EMERGENCY CONSERVATION MEASURES

For emergency conservation measures, to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, to remain available until expended, \$4,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated for emergency conservation measures. (71 Stat. 176; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-44-3316-0-1-354	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Emergency cost-sharing assistance to farmers (program costs, funded)-----	10,175	4,000	4,000
Change in selected resources ¹ -----	196		
10 Total obligations (object class 41.0)---	10,371	4,000	4,000
Financing:			
17 Recovery of prior year obligations-----	-2,509		
21 Unobligated balance available, start of year-----	-3,861		
40 New obligational authority (appropriation)-----	4,000	4,000	4,000
Relation of obligations to expenditures:			
10 Total obligations-----	10,371	4,000	4,000
70 Receipts and other offsets (items 11-17)---	-2,509		
71 Total obligations affecting expenditures-----	7,862	4,000	4,000
72 Obligated balance, start of year-----	6,075	10,544	8,160
74 Obligated balance, end of year-----	-10,544	-8,160	-8,882
90 Expenditures-----	3,393	6,384	3,278

¹ Selected resources as of June 30 are as follows: Advances, 1963, \$0; 1964, \$196 thousand; 1965, \$196 thousand; 1966, \$196 thousand.

This appropriation provides special funds for sharing the cost of emergency conservation measures to deal with cases of severe damage to farm and rangelands resulting from natural disasters. The criteria under which assistance may be made available are set forth in the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(h)).

Funds are allocated for use only in those counties designated by the Secretary of Agriculture as disaster counties. Assistance is made available to treat new conservation problems which (1) if not treated will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

Under the 1964 program, cost-sharing assistance is being provided to treat farmlands damaged by drought, earthquake, flood, and windstorm. There are 534 counties in 22 States where assistance is being provided.

INDEMNITY PAYMENTS TO DAIRY FARMERS

Program and Financing (in thousands of dollars)

Identification code 05-44-3314-0-1-354	1964 actual	1965 estimate	1966 estimate
Program by activities:			
10 Indemnity payments to dairy farmers, (costs—obligations) (object class 41.0)-----		8,800	
Financing:			
New obligational authority-----		8,800	

Program and Financing (in thousands of dollars)—Continued

Identification code 05-44-3314-0-1-354	1964 actual	1965 estimate	1966 estimate
New obligational authority:			
40 Appropriation-----		0	
42 Transferred from "Economic opportunity program, Office of Economic Opportunity," Executive (78 Stat. 1030)-----		8,800	
43 Appropriation (adjusted)-----		8,800	
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures)-----		8,800	
90 Expenditures-----		8,800	

Section 331 of the Economic Opportunity Act of 1964 authorizes the Secretary to make indemnity payments, at the fair market value, to farmers who have been directed since January 1, 1964, to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use.

The authority extends through January 31, 1965. Each eligible dairy farmer will receive from all sources no more than the amount he would have received if he had produced and marketed a quantity of milk equal to his normal marketings.

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments and allocations from other accounts are included in the schedules of the parent appropriations as follows:
Funds appropriated to the President:
"Economic Assistance."
"Revolving fund Defense Production Act."
Soil Conservation Service, "Great Plains conservation program."

Intragovernmental funds:

CONSOLIDATED SCHEDULE OF EXPIRED ACCOUNTS

Program and Financing (in thousands of dollars)

Identification code 05-44-9999-0-1-355	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
72 Obligated balance, start of year-----		24	
72 Receivables in excess of obligations, start of year-----	-50		
74 Obligated balance, end of year-----	-24		
77 Adjustments in expired accounts-----	-34		
90 Expenditures-----	-109	24	
Distribution of expenditures by account titles is as follows:			
Administrative expenses, section 392-----	-151	12	
Local administration, section 388-----	42	12	

COMMODITY CREDIT CORPORATION

General and special funds:

REIMBURSEMENT FOR NET REALIZED LOSSES

To partially reimburse the Commodity Credit Corporation for net realized losses sustained [during the fiscal year ending June 30, 1963] but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), [\$1,574,000,000] \$2,300,000,000: Provided, That after June 30, 1964, the portion of borrowings from Treasury equal to the unreimbursed realized losses recorded on the books of the Corporation after June 30 of the fiscal year in which such

losses are realized, shall not bear interest and interest shall not be accrued or paid thereon. (Department of Agriculture and Related Agencies Appropriation Act, 1965.)

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION, NATIONAL WOOL ACT
(Permanent, indefinite)

Public enterprise funds:

Note.—Expenditures from the following fund for 1965 are subject to the first paragraph of title III of the Department of Agriculture and Related Agencies Appropriation Act, 1965. For 1966 this paragraph is shown in the Department of Agriculture chapter, p. 166 preceding Federal Crop Insurance Corporation fund.

Program and Financing (in thousands of dollars)

Identification code 05-48-4336-0-3-999	1964 actual	1965 estimate	1966 estimate
PRICE SUPPORT, EXPORT, SUPPLY, AND RELATED PROGRAMS			
Program by activities:			
Operating costs, funded:			
1. Price support, export, supply, and related programs:			
(a) Cost of commodities sold.....	2,096,063	2,352,187	2,305,077
(b) Cost of commodities donated.....	638,035	434,408	274,182
(c) Storage, transportation, and other costs not included above.....	614,166	518,423	472,031
(d) Export payments.....	212,018	119,120	76,495
(e) Price support payments.....	461,578	335,000	525,800
(f) Wheat certificates issued.....		420,000	468,000
(g) Equalization payments.....	62,610	483,000	316,300
(h) Land retirement payments:			
(1) Feed grains.....	646,090	882,500	515,900
(2) Wheat.....	114,650	34,000	40,000
Subtotal.....	4,845,210	5,578,638	4,993,785
(i) Decrease in provision for losses on commodities for sale.....	-278,519	-65,065	-100,026
Total, price support, export, supply, and related programs.....	4,566,691	5,513,573	4,893,759
(j) Undistributed expense:			
(1) Administrative expense subject to limitation.....	36,203	35,904	33,987
(2) Nonadministrative expense.....	26,898	32,792	15,946
(3) Interest:			
(A) Treasury.....	434,314	309,770	266,652
(B) Other.....	19,589	28,288	33,400
Subtotal.....	517,004	406,754	349,985
(4) Decrease in provision for losses on accounts receivable.....	-2,050	-87	
Total undistributed expense.....	514,954	406,667	349,985
Total operating costs, funded.....	5,081,645	5,920,240	5,243,744
Capital outlay funded:			
1. Price support, export, supply and related programs:			
(a) Direct loans.....	780,861	14,001	14,000
(b) Guaranteed loans purchased.....	2,451,989	1,924,011	2,283,196
(c) Purchases of storage equipment, etc.....	9		
(d) Purchases of administrative equipment.....	1,135	600	200
Total, capital outlay funded.....	3,233,994	1,938,612	2,297,396
Total program costs, funded.....	8,315,639	7,858,852	7,541,140
Change in selected resources ¹	-567,040	750,228	-19,011
Total, price support, export, supply, and related programs (obligations).....	7,748,599	8,609,080	7,522,129
SPECIAL ACTIVITIES (see schedule)			
Operating costs, funded:			
1. Commodities transferred from price support program.....	769,744	496,508	555,457
2. Other operating costs:			
(a) Interest on balance recoverable.....	20,984	10,935	2,596
(b) Other program and operating costs.....	1,334,500	1,509,559	1,420,738
Total, other operating costs.....	1,355,484	1,520,494	1,423,334
Total operating costs, funded.....	2,125,228	2,017,002	1,978,791
Capital outlay:			
Loans made for agricultural conservation purposes (obligations).....	50,000	50,000	50,000
Total program costs, funded.....	2,175,228	2,067,002	2,028,791

Program and Financing (in thousands of dollars)—Continued

Identification code 05-48-4336-0-3-999		1964 actual	1965 estimate	1966 estimate
SPECIAL ACTIVITIES (see schedule)—Continued				
Program by activities—Continued				
Capital outlay—continued				
Change in selected resources ¹		1,374	17,449	-7,300
Total, special activities (obligations).....		2,176,602	2,084,451	2,021,491
10	Total obligations.....	9,925,201	10,693,531	9,543,620
Financing:				
Receipts and reimbursements from:				
Price support, export, supply, and related programs: Non-Federal sources:				
14	Loans repaid.....	-928,127	-1,040,873	-1,074,219
	Loan collateral forfeited.....	-1,602,171	-1,663,749	-1,340,651
	Revenue.....	-2,133,064	-2,764,700	-2,802,170
	Other (realization of assets).....	-1,560	-2,476	-5,822
14	Undistributed receipts:			
	Interest revenue.....	-41,761	-33,045	-25,034
	Other.....	-5,483	-3,460	-3,460
17	Special milk program: Revenue (prior year adjustment).....	-387	-12	
Special activities:				
Administrative budget accounts:				
11	Reimbursements received.....	-230,712	-209,705	-172,689
	Increase (—) or decrease in receivables: Foreign assistance programs and Special activities.....	216,162	179,355	-32
	Subtotal.....	-14,550	-30,350	-172,721
14	Repayment of loan for agricultural conservation purposes.....	-50,640	-50,000	-50,000
11	Advance from Foreign assistance and Special export programs.....	-1,889,044	-2,553,507	-1,738,044
16	Comparative transfer to other accounts.....	5,054	12,562	
21.98	Unobligated balance of section 32 research funds, start of year.....		-10,946	-10,515
24.98	Unobligated balance of section 32 research funds, end of year.....	10,946	10,515	
23.98	Unobligated balance of section 32 research funds transferred to Agricultural Research Service.....			10,515
25.98	Unobligated balance of section 32 research funds returned.....		44	
	Unobligated balance lapsing: Reimbursement for costs of special milk program.....	175	275	
New obligational authority.....		3,274,589	2,563,809	2,331,499
New obligational authority:				
Price support and related programs:				
Current authorization:				
40	Reimbursement for net realized losses.....	2,699,400	1,574,000	2,300,000
	Deduct portion of appropriation to liquidate contract authorizations.....		-290,989	
56	Proposed supplemental appropriation.....		1,180,853	
Permanent authorization:				
69	Contract authorization.....	469,010		
Subtotal, new obligational authority, price support and related programs.....		3,168,410	2,463,864	2,300,000
Special activities:				
Permanent authorization:				
60	Reimbursement to CCC, National Wool Act (permanent indefinite authorization).....	90,179	87,770	31,499
62	Transferred from: Removal of surplus agricultural commodities (sec. 32) (annual appropriation act).....	16,000	12,175	
63	Permanent appropriation (adjusted).....	106,179	99,945	31,499
PRICE SUPPORT, EXPORT, SUPPLY, AND RELATED PROGRAMS				
Relation of obligations to expenditures:				
10	Total obligations (from program and financing).....	7,748,599	8,609,080	7,522,129
70	Receipts and other offsets (items 11-17).....	-4,712,553	-5,508,315	-5,251,356
71	Obligations affecting expenditures.....	3,036,046	3,100,765	2,270,773
Obligated balance, start of year:				
72.47	Authorization to spend public debt receipts.....	896,000	510,000	1,797,000
72.49	Contract authorization.....	1,401,865	1,870,875	1,579,886
72.98	Fund balance.....	118,819	-103,040	-290,847
Obligated balance, end of year:				
74.47	Authorization to spend public debt receipts.....	-510,000	-1,797,000	-2,193,000
74.49	Contract authorization.....	-1,870,875	-1,579,886	-1,579,886
74.98	Fund balance.....	103,040	290,847	
74	Receivables in excess of obligations, end of year.....			279,784
90	Budget expenditures, price support, export, supply and related programs.....	3,174,895	2,292,561	1,863,710

¹ Balances of selected resources are identified on the statement of financial condition.

COMMODITY CREDIT CORPORATION—Continued

Public enterprise funds—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-48-4336-0-3-999		1964 actual	1965 estimate	1966 estimate
SPECIAL ACTIVITIES (see schedule)				
10	Total obligations (from program and financing).....	2,176,602	2,084,451	2,021,491
70	Receipts and other offsets (items 11-17).....	-1,949,180	-2,621,295	-1,960,765
71	Obligations affecting expenditures.....	227,422	-536,844	60,726
72.98	Receivables in excess of obligations, start of year.....	-83,166		
	Obligated balance, start of year.....		109,998	314,270
74.98	Obligated balance, end of year.....	-109,998	-314,270	-299,056
77	Adjustment of obligated balances.....	2,133		
90	Budget expenditures, special activities.....	36,391	-741,116	75,940
	Total budget expenditures.....	3,211,286	1,551,445	1,939,650
Cash transactions:				
Price support, export, supply, and related programs:				
93	Gross expenditures.....	6,926,839	6,675,588	5,812,918
94	Applicable receipts.....	-3,751,944	-4,383,027	-3,949,208
Special activities:				
93	Gross expenditures.....	2,204,101	2,063,503	2,028,203
94	Applicable receipts.....	-2,167,710	-2,804,619	-1,952,263
Status of Unfunded Contract Authorization (in thousands of dollars)				
Unfunded balance brought forward ¹		1,401,865	1,870,875	1,579,886
Contract authorizations.....		469,010		
Unfunded balance carried forward ¹		-1,870,875	-1,579,886	-1,579,886
Appropriation to liquidate contract authorizations.....			290,989	

¹ Statutory obligations against borrowing authority include only borrowings from Treasury and obligations to purchase notes, certificates, or other obligations evidencing loans held by banks and accrued interest on such obligations. Other obligations, contingent liabilities, and commitments do not become charges against the statutory borrowing authority until they result in either borrowings from Treasury or in notes, certificates, or other obligations evidencing loans held by banks and accrued interest on such obligations.

As stated in its charter (15 U.S.C. 714-714p), the Commodity Credit Corporation was created to stabilize, support, and protect farm income and prices, help maintain balanced and adequate supplies of agricultural commodities, their products, foods, feeds, and fibers, and help in their orderly distribution. It may also make available materials and facilities required in connection with the production and marketing of agricultural commodities.

The Corporation's capital stock of \$100 million is held by the United States. Up to \$14.5 billion may be borrowed to finance operations.

Programs.—The budget is based on (1) price support, export, supply, and related programs, and (2) special activities.

Program obligations, commitments, and expenditures include primarily loans, purchases, incentive, and other payments, and advances and costs incident to special activities authorized by specific legislation. Storage, handling, transportation, and other related costs are also charged to programs. Operating and interest expense are not charged to programs.

Budget assumptions.—The following general assumptions form the basis for the Corporation's 1965 and 1966 budget estimates: (a) employment, production, and national income will rise moderately both in 1965 and 1966 from the

present level; (b) on the average, the general level of prices will be the same as or increase slightly over the present level; (c) developments in international relations will not be such as to affect Federal civilian programs generally (except as affected by continued international tensions); (d) generally, exports of agricultural commodities in 1966 will be at about expected 1965 levels; (e) yields for the 1965 crops are based on recent averages adjusted for trend; (f) acreage allotments and marketing quotas will be in effect for the 1965 crops of peanuts, rice, cotton, and certain kinds of tobacco; the 1965 wheat allotment will be not less than 49.5 million acres as stated in the Agricultural Act of 1964; and (g) the special programs for cotton, feed grains, and wheat which expire in 1965 will be continued and legislation will be proposed to do this.

It should be recognized that it is difficult to forecast with any degree of accuracy requirements for the year ending June 30, 1966. Many complex and unpredictable factors are involved. Some of the major ones are weather and all other factors which affect the volume of production of crops not yet planted in this country and abroad. Economic conditions generally, feed and food needs here and overseas, and available dollar exchange are others which could materially affect the estimates.

PRICE SUPPORT, EXPORT, SUPPLY, AND RELATED PROGRAMS

Price support.—The Corporation through loans, purchases, payments, and other means supports the prices of agricultural commodities to producers. This is done mainly under the Commodity Credit Corporation Charter Act (15 U.S.C. 714) and the Agricultural Act of 1949, as amended (7 U.S.C. 1421).

The 1949 act makes price support mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco. It also requires support of specific nonbasic commodities. These are: tung nuts, honey, milk, butterfat and the products of milk and butterfat, barley, oats, rye and grain sorghums. The National Wool Act of 1954, as amended (7 U.S.C. 1781–1787) requires price support for wool and mohair. Price support for other nonbasic commodities is discretionary. However, whenever the price of either cottonseed or soybeans is supported, the price of the other must be set at such level as the Secretary determines will cause them to compete on equal terms on the market. The price support program may also include operations to remove and dispose of surplus agricultural commodities in order to stabilize prices at levels not in excess of those permissible by law.

The principal methods of providing price support are loans to and purchase agreements with producers. With limited exceptions, price-support loans are nonrecourse. The commodities serve as collateral for the loan and, upon maturity thereof, the producer may deliver such collateral to satisfy his obligation without further payment, unless there is a deficiency in quantity or quality on such collateral or the producer is guilty of fraudulent misrepresentation.

Direct purchases are also made from producers and processors, depending on the commodity involved. Also, special purchases for the removal of surpluses are made under certain laws, for example: Section 308 of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1697), provides for such purchases of animal fats and edible oils and their products as will tend to maintain the support level for cottonseed and soybeans without the need to acquire those commodities under the usual price support loan or purchase programs. The act of August 19, 1958, as amended (7 U.S.C. 1431 note) provides for the purchase of wheat flour, cornmeal, and processed food grain products for domestic and foreign donation programs in lieu of processing wheat and corn which Commodity Credit Corporation could make available for donation under specified laws. Section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431), provides that price supported commodities in private stocks may be made available for donation in order to prevent their waste before they can be (1) disposed of in normal domestic channels without impairing the price support program, or (2) sold abroad at competitive world prices.

A portion of the price support on feed grains and cotton is made available through issuance of negotiable payment-in-kind certificates by Commodity Credit Corporation which are handled in the same manner as payment-in-kind certificates issued under the feed grain acreage diversion program and cotton equalization program as hereinafter described. In the case of wheat, in addition to loans and purchases, producers receive marketing certificates as hereinafter described.

Price support payments are made on wool and mohair as hereafter described under the National Wool Act.

In all the price support operations, normal trade facilities are used to the maximum extent practicable.

Local banks, cooperatives, and other financial institutions are used in lending activities. Commercial facilities are used to a great extent to store loan collateral and stocks of the Corporation.

Besides the Charter Act and laws mentioned above, many other laws are applicable to the disposition of commodities acquired under the price support program. The Agricultural Act of 1949, as amended, contains the most basic provisions in section 202 (7 U.S.C. 1446a), section 407 (7 U.S.C. 1427), and section 416. The Agricultural Trade Development and Assistance Act of 1954, as amended, provides for sales of surplus agricultural commodities for foreign currency and under long-term credit and supply contracts and the donation of such commodities in Commodity Credit Corporation stocks for foreign assistance. Title II of the Agricultural Act of 1956, as amended (7 U.S.C. 1856), covers disposal of strategic and other materials acquired by barter of agricultural commodities. Most of these laws also apply to the commodity export program and foreign assistance programs and special export programs discussed later.

Section 407 of the Agricultural Act of 1949, as amended (7 U.S.C. 1427), the act of September 30, 1950, as amended (42 U.S.C. 1855 a, b), and the act of September 21, 1959, as amended (7 U.S.C. 1427 note) are principal laws which relate to disposition of food or feed for emergency or disaster relief. Donations may be made for training in home economics courses (7 U.S.C. 1431 note) and in cotton textile processes (7 U.S.C. 1431a), and to Federal penal and correctional institutions and State correctional institutions for minors (7 U.S.C. 1859).

For accounting purposes, the Corporation credits to the price support program sales proceeds of commodities in its stocks which are disposed of through redemption of domestic and export payment-in-kind certificates and through special activities such as sales for foreign currencies.

DATA ON PRICE-SUPPORT PROGRAM

[In thousands of dollars]

	1964 actual	1965 estimate	1966 estimate
Loans made.....	2,764,314	2,381,573	2,283,196
Loans repaid.....	898,177	1,010,173	1,045,519
Loan collateral forfeited.....	1,602,171	1,663,749	1,340,651
Loans outstanding, June 30.....	2,759,652	2,454,504	2,335,029
Acquisitions.....	2,346,139	2,458,896	2,064,742
Cost of commodities sold.....	2,095,762	2,351,872	2,304,677
Cost of commodities donated.....	638,025	432,608	274,182
Inventory as of June 30.....	4,338,275	4,012,691	3,498,575
Investment in price support as of June 30..	7,097,927	6,467,195	5,833,604
Net expenditures.....	1,561,603	761,571	746,016
Realized losses.....	1,720,227	1,392,303	1,379,606

Commodity export.—The Corporation promotes the export of agricultural commodities and products through sales, barter, payments, and other operations. Other than in barter for stockpiling purposes, such commodities and products may be those held in private trade channels as well as those acquired by the Corporation in its price support operations. This program is carried out under the authority contained in the Corporation's charter, particularly sections 5(d) and 5(f), and in accordance with specific statutes where applicable, such as sections 407 and 416 of the Agricultural Act of 1949, as amended, the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641), the Agricultural Trade Development and Assistance Act of 1954, as amended, title I of the Agricultural Act of 1954, title II of the Agricultural Act of 1956, as amended, and section 9 of the act of September 6, 1958. Transactions involving export sales for foreign currencies are made under the Agricultural Trade Develop-

COMMODITY CREDIT CORPORATION—Continued**Public enterprise funds—Continued****PRICE SUPPORT, EXPORT, SUPPLY, AND
RELATED PROGRAMS—Continued**

ment and Assistance Act of 1954, as amended, although such sales of commodities owned by the Corporation may also be made under its charter authority when it is advantageous to the Corporation.

The activities described below are illustrative of those conducted under this program during 1965. With respect to barter, the emphasis has been shifted to exports in connection with various types of off-shore procurement of materials and services needed by the Department of Defense, the Agency for International Development, and other agencies, for which they repay the Corporation. Barter is also made for strategic and other materials for the supplemental stockpile but on a more limited scale. Commodities available for barter vary from time to time.

To the extent sufficient appropriations are not provided in advance, expenditures under titles I, II, and IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, and the International Wheat Agreement, and investments in materials transferred to the supplemental stockpile, are made by the Corporation subject to repayment from subsequent appropriations authorized for such purpose. These programs are further described under foreign assistance programs and special export programs.

To encourage export movement from free-market supplies, as well as from its own stocks, the Corporation makes payments on wheat, wheat flour, cotton, corn, grain sorghums, barley, oats, rye, rice, flaxseed, linseed oil, butter, nonfat dry milk, milkfat, and cheese. The rate of payment generally is the difference between the prevailing world export sales price and the domestic market price. Payment is generally in the form of payment-in-kind certificates (PIK) which are redeemable by the Corporation in commodities from inventories owned by it or held as price support collateral. Persons acquire such commodities from the Corporation subject to an obligation to export the commodity. Payment-in-kind certificates are also issued in payments for wheat flour, cornmeal, and other processed food grains purchased by the Corporation for use in domestic and foreign donation programs. In certain cases, costs of processing commodities owned by the Corporation for such use are also paid with payment-in-kind certificates. If commodities obtained with payment-in-kind certificates are shipped under titles I and IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, or the International Wheat Agreement, the value of the certificate is charged to the applicable operation.

To help develop or expand foreign markets the Corporation also furnishes farm commodities and products for samples or exhibits at international trade fairs and donates commodities for use abroad in testing consumer acceptance and commercial market potentials.

To maximize exports of commodities owned by Commodity Credit Corporation or held as collateral for price support loans, sales of such commodities or the Corporation's interest therein are made for dollars to U.S. exporters, with payment being deferred for periods of not to exceed 36 months when covered by acceptable financial guarantees furnished to the Corporation. These deferred payment sales are made under the Corporation's charter

authority and are to be distinguished from the long-term credit and supply contracts authorized by title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, described in foreign assistance programs.

Storage facilities.—The Corporation conducts a program to provide storage adequate to fulfill its program needs. This program is conducted pursuant to sections 4(h) and 4(m), and 5 (a) and (b).

The Corporation buys and maintains (in storage-short areas) bins and equipment for care and storage of grain owned by Commodity Credit Corporation or under its control. It makes loans for the purchase, building, or expanding of storage facilities on the farm and sells to producers and others bins needed for the storage of grain. Bins sold by the Corporation may be those acquired for resale for this purpose or those which are no longer required by the Corporation for the storage of its own grain. The Corporation may also provide storage use guarantees, to encourage building of commercial storage and undertake other operations necessary to provide storage adequate to carry out the Corporation's programs.

Supply and foreign purchase.—The Corporation procures from domestic and foreign sources food, agricultural commodities, and products and related materials to supply the needs of Federal agencies, foreign governments, and private and international relief agencies. It similarly procures or aids in the procurement of such foods, commodities, products, and material for sale to meet domestic requirements during periods of short supply or during such other times as will stabilize prices or facilitate distribution. Through purchases, loans, sales, or other means, the Corporation may also make available materials and facilities needed for the production and marketing of agricultural commodities. This program is conducted under sections 5 (b) and (c) of the Commodity Credit Corporation Charter Act.

Purchases for other Federal agencies of specialized commodities not in the Corporation's price support stocks has been the main activity under this program. Purchases of limited quantities of breeder, foundation, and registered seeds of improved varieties of grasses and legumes are made by the Corporation through production contracts in order to assure supplies thereof for farmers. Section 4 of the act of July 16, 1943 (15 U.S.C. 713a-9), requires that the Corporation be fully repaid from funds of such agencies for services performed, losses sustained, operating costs incurred, or commodities bought or delivered to or on behalf of any other Federal agency. Operations not subject to section 4 may involve losses if such are necessary to the accomplishment of the objectives of the particular operation. No foreign purchases have been made in recent past years.

Feed grain acreage diversion program.—An acreage diversion program is conducted on 1964 and 1965 crops of feed grains by the Agricultural Stabilization and Conservation Service utilizing the funds, facilities, and stocks of the Corporation. Under this program acreage diversion payments are made to farmers who divert acreage from the production of feed grains (generally corn, grain sorghum, and barley) to an approved conservation use. This program is carried out under the Soil Conservation and Domestic Allotment Act, as amended by the Feed Grain Act of 1963 (Public Law 88-26, approved May 20, 1963).

Payments are made by the issuance of negotiable payment-in-kind certificates by Commodity Credit Corporation. The farmer may elect either to have the certificate redeemed in feed grains from the Corporation's stocks

or if he requests the Corporation's assistance in the marketing of the certificate he may obtain cash by issuance by the Corporation of a negotiable sight draft. The Corporation markets rights, represented by certificates on which it has made cash advances, to buyers for redemption in feed grains from its stocks. The marketing of such rights is accomplished by the sale of grain represented by such certificates.

Wheat acreage diversion and certificate programs.—A wheat acreage diversion program and a wheat certificate program for 1964 and 1965 crops are conducted by the Agricultural Stabilization and Conservation Service utilizing the funds and facilities of the Corporation. These programs are authorized by the Agricultural Adjustment Act of 1938, as amended by the Food and Agriculture Act of 1962 and the Agricultural Act of 1964.

Acreage diversion payments in the form of negotiable sight drafts issued by the Corporation are made to farmers who divert certain acres from wheat production to an approved conservation use.

In addition, two types of marketing certificates are issued to a participating farmer based on a portion of the normal production of his eligible acres planted for harvest. One covers his share in the national marketing allocation for wheat used for food products for consumption in the United States. The other covers his share of the export marketing allocation. Certificates may be sold at face value to Commodity Credit Corporation. Processors of wheat into food products may not market or remove any such food product for sale or consumption without buying domestic certificates equivalent to the number of bushels of wheat used in the manufacture of the food product. Exporters may not ship abroad any wheat without buying export marketing certificates equivalent to the number of bushels exported. Certificates may be purchased from Commodity Credit Corporation or any holder.

On the exportation of wheat and flour, the Corporation makes a refund to the exporter or allows him a credit against the amount payable for marketing certificates in an amount which is determined necessary to make U.S. wheat and flour competitive in the world market, avoid disruption of world market prices and fulfill the international obligations of the United States.

Cotton.—The Corporation makes payments to cotton handlers (other than producers) to equalize the cost of raw cotton between domestic and foreign users. This program is carried out by the Agricultural Stabilization and Conservation Service pursuant to the Agricultural Act of 1964 which provides for special programs for the 1964 and 1965 crops of cotton using funds, facilities, and stocks of the Corporation.

Payments are in the form of negotiable certificates issued by the Corporation. The handler or user may elect either to have them redeemed for upland cotton from the Corporation's stocks, to repay cotton loans, or get cash by having the Corporation assist in marketing the certificates. In the latter case, the Corporation markets the rights represented by the certificates in the same manner as it does feed grain certificates on which it has made advances.

Loan operations.—The following table reflects the loan operations of the Corporation which apply to the preceding programs (in thousands of dollars):

	1964 actual	1965 estimate	1966 estimate
Loans outstanding, gross, beginning of year:			
Commodity Credit Corporation.....	1,767,703	2,437,329	1,657,919
Certificates of interest or loans held by financial institutions	834,134	377,438	835,000
Total, loans outstanding, gross, beginning of year.....	2,601,837	2,814,767	2,492,919
Add loans made.....	2,776,155	2,395,574	2,297,196
Deduct:			
Loans repaid.....	925,935	1,040,673	1,074,019
Acquisition of loan collateral.....	1,602,170	1,663,749	1,340,652
Transfers to accounts receivable.....	2,192	200	200
Writeoffs.....	32,928	12,800	16,500
Total, loans outstanding, gross, end of year.....	2,814,767	2,492,919	2,358,744
Loans outstanding, gross, end of year:			
Commodity Credit Corporation.....	2,437,329	1,657,919	1,523,744
Certificates of interest or loans held by financial institutions.....	377,438	835,000	835,000
Total, loans outstanding, gross, end of year.....	2,814,767	2,492,919	2,358,744
Deduct allowance for losses.....	257,786	228,269	217,159
Loans receivable, net (price support and storage facilities).....	2,556,981	2,264,650	2,141,585

Inventory operations.—The following table reflects the inventory operations applicable to the preceding programs (in thousands of dollars):

AGRICULTURAL COMMODITIES			
	1964 actual	1965 estimate	1966 estimate
On hand, start of year, gross.....	4,715,562	4,330,133	4,005,791
Acquisitions:			
Forfeiture of loan collateral.....	1,602,171	1,663,749	1,340,651
Excess of collateral acquired over loans cancelled.....	83,356	66,559	51,709
Purchases.....	619,733	641,692	592,442
Transfers and exchanges, net.....	-6,997	-----	-----
Carrying charges:			
Charges to inventory.....	13,396	13,253	8,790
Storage and handling.....	(364,019)	(306,874)	(284,005)
Transportation.....	(177,690)	(138,903)	(121,855)
Total, carrying charges to inventory.....	13,396	13,253	8,790
Total acquisitions.....	2,311,659	2,385,253	1,993,592
Dispositions:			
Donations to:			
Veterans Administration and Armed Forces.....	45,197	48,354	-----
Needy persons, domestic.....	245,738	165,611	93,748
Needy persons, foreign (excluding title II, Public Law 480).....	345,310	217,456	179,247
Research, experimentation, education, penal, etc.....	1,790	2,987	1,187
Total donations.....	638,035	434,408	274,182

COMMODITY CREDIT CORPORATION—Continued**Public enterprise funds—Continued****PRICE SUPPORT, EXPORT SUPPLY, AND RELATED PROGRAMS—Continued****AGRICULTURAL COMMODITIES—Continued**

	1964 actual	1965 estimate	1966 estimate
Sales and transfers:			
Barter:			
For supplemental stockpile.....	66,363	57,172	50,757
For offshore procurement.....	72,000	97,400	70,093
Special programs:			
International Wheat Agreement..	99,468	22,100	21,600
Title I, Public Law 480.....	453,632	209,657	195,164
Title II, Public Law 480.....	150,057	140,863	217,007
Title IV, Public Law 480.....	13,331	41,415	44,646
Migratory waterfowl feed and game birds.....	13	40	40
Total special programs.....	716,501	414,075	478,457
Commodity export program, payment-in-kind deliveries.....	150,908	191,790	280,987
Marketing of grain certificates.....	173,481	275,900	324,900
Marketing of cotton certificates.....	-----	373,900	356,200
Other sales.....	913,475	778,546	587,807
Net loss or gain, sales and transfers.....	-33,675	86,404	83,276
Total, sales and transfers.....	2,059,053	2,275,187	2,232,477
Total, dispositions.....	2,697,088	2,709,595	2,506,659
On hand, end of year, gross.....	4,330,133	4,005,791	3,492,724
Less allowance for losses.....	863,591	798,526	698,500
On hand, end of year, net.....	3,466,542	3,207,265	2,794,224
STRATEGIC AND CRITICAL MATERIALS			
On hand, start of year, gross.....	10,487	8,207	7,000
Acquisitions:			
Delivered by barter contractors.....	34,730	75,793	71,600
Carrying charges:			
Storage and handling.....	(1,367)	(1,662)	(1,200)
Transportation.....	(375)	(938)	(1,600)
Total, carrying charges.....	(1,742)	(2,600)	(2,800)
Total acquisitions.....	34,730	75,793	71,600
Dispositions:			
Supplemental stockpile.....	37,665	80,033	75,000
Other agencies.....	12	-----	-----
Difference between cost and transfer value.....	-667	-3,033	-2,400
Total dispositions.....	37,010	77,000	72,600
On hand, end of year, gross.....	8,207	7,000	6,000

Undistributed expenses.—There are a number of expenses which are not charged to a specific program. These include interest on (a) the capital stock of the Corporation (b) borrowings from the Treasury, and (c) other obligations evidencing loans held by financial institutions. Also included are administrative expenses and other miscellaneous costs such as expenses of the Agricultural Stabilization and Conservation County Committees and Federal Reserve banks in connection with the Corporation's programs.

Administrative expenses are for the operating staff and the services of employees of the Agricultural Stabilization and Conservation Service engaged in the Corporation's

activities, services performed by the Foreign Agricultural Service and other agencies of the Department, costs of audit, and payments to the General Services Administration for space in the District of Columbia and rent of field office space. Estimates for 1966 include a limitation of \$36.7 million for costs of administration including a reserve of not less than 7% for contingencies.

The requested authorization excludes administrative expenses in connection with the supply program, the wool and mohair program under the National Wool Act of 1954, the International Wheat Agreement, and the sale of long-staple cotton transferred from the national stockpile. It is contemplated that full reimbursement for these expenses will be obtained and used in 1966 in the same manner as in prior years.

Expenses of acquisition, operation, maintenance, improvement, or disposition of property which the Corporation owns or in which it has an interest have been treated as program rather than administrative expenses. Such expenses include inspection, classing, and grading work performed on a fee basis by Federal employees or Federal or State licensed inspectors and work performed on a contract or fee basis by Agricultural Stabilization and Conservation County Committees. Capital funds of the Corporation are transferred to the appropriation, Expenses, Agricultural Stabilization and Conservation Service as indicated under that appropriation item for operating expenses relating to the Corporation's programs. Also, expenses of other Federal agencies whose services are used in the handling of Corporation property are treated as program expenses, such as the services of the General Services Administration in connection with the strategic, critical, and other materials acquired by the Corporation.

SPECIAL ACTIVITIES

These activities are carried out under authority of section 5(g) of the Corporation's charter and specific statutory authorizations or directives with respect thereto which are currently in effect or which may subsequently be enacted. A summary of current activities will be found on pages 159 and 160.

The Corporation receives appropriations or reimbursement for costs of these activities as described under each.

Activities currently being carried out are as follows: (See Foreign assistance programs and special export programs for details of items (1)–(5).)

(1) *Sale of surplus agricultural commodities for foreign currencies.*

(2) *Commodities disposed of for emergency famine relief to friendly peoples.*

(3) *Long-term credit and supply contracts.*

(4) *International Wheat Agreement.*

(5) *Bartered materials for supplemental stockpile.*

(6) *Military housing (barter and exchange).*—During 1957 a contract was completed for the disposition of Corporation-owned commodities valued at \$50 million for the construction of military housing in France with foreign currencies obtained from this transaction. Section 2681(b) of title 10 U.S.C., as amended, provides for payment to the Corporation of not to exceed \$6 million annually until liquidation of the amounts due for such foreign currencies used in the housing construction and for additional foreign currencies obtained under Public Law 480 for military housing. It is estimated that \$2 million of this will be applied against the amounts due under the Commodity Credit Corporation French housing transaction in each of 1965 and 1966.

(7) *National Wool Act.*—Under the National Wool Act of 1954, as amended, incentive payments are being used to encourage the annual domestic production of about 300 million pounds of shorn wool. Support of prices of wool and mohair is mandatory. Incentive payments are made to eligible producers in order to bring the national average price received by all producers up to the announced incentive level. The incentive level cannot exceed 110% of parity. For the purpose of reimbursing the Corporation, section 705 of the act appropriates each fiscal year an amount equal to amounts expended by the Corporation during the preceding year but not to exceed 70% of the gross receipts of duties on wool and certain wool products imported during the preceding calendar year.

In a referendum conducted in September 1962, wool and lamb producers voted to continue the deduction from their incentive payment of an amount not to exceed 1 cent per pound of wool and 5 cents per hundredweight of unshorn lambs marketed. These funds finance promotional advertising, and related market-development activities by the American Sheep Producers' Council, Inc., under an agreement with the Secretary of Agriculture. In order to simplify program and financing operations, the marketing year under this program was placed on a calendar year basis on January 1, 1964.

COST OF THE NATIONAL WOOL ACT

[Dollars in thousands]

	Fiscal year 1964		Fiscal year 1965	Fiscal year 1966
	1962 market- ing year (actual)	1963 market- ing year (actual)	1964 market- ing year (estimate)	1965 market- ing year (estimate)
Volume of marketings:				
Shorn wool, thousand pounds....	229,138	164,223	218,200	212,500
Unshorn lambs, thousand cwt....	11,278	9,444	10,000	9,700
Mohair, thousand pounds.....	30,662	-----	-----	-----
Payment rates:				
Per pound, shorn wool, cents....	14.3	13.5	11.0	14.0
Per hundredweight, unshorn lambs, cents.....	57.0	54.0	44.0	56.0
Per pound, mohair, cents.....	2.6	-----	-----	-----
Amount of payments:				
Shorn wool.....	\$32,767	\$22,170	\$24,002	\$29,750
Unshorn lambs.....	6,428	5,100	4,400	5,432
Mohair.....	797	-----	-----	-----
Promotional and advertising programs ¹	(2,833)	(2,100)	(2,682)	(2,610)
Total payments.....	39,992	27,270	28,402	35,182
Administrative expenses.....	3,954	-----	2,025	2,011
Interest expense.....	1,988	-----	1,072	1,318
Total.....	73,204	-----	31,499	38,511

¹ Deduction from producer payments.

Total payments made under the National Wool Act cannot at any time exceed an amount equal to 70% of the accumulated totals, as of the same date, of the gross receipts from import duties collected on and after January 1, 1953, on wool and wool manufactures. Actual and estimated payments compared with this limitation are as follows (in thousands of dollars):

	1964 actual	1965 estimate	1966 estimate
70% of customs receipts on wool and wool manufactures, cumulative from January 1, 1953, to end of preceding calendar year (estimate).....	685,296	765,796	846,296
Cumulative incentive payments on pre- ceding marketing year (fiscal years)....	448,264	476,666	511,848
Balance of limitation available for payments on succeeding market- ing years.....	237,032	289,130	334,448

Funds of the Commodity Credit Corporation are used to carry on this program. A permanent appropriation is provided to reimburse the Corporation, but the fiscal year amount is limited to 70% of all duties collected on wool and wool manufactures during the preceding calendar year.

Estimated costs and reimbursements to Commodity Credit Corporation during 1964, 1965, and 1966 are indicated in the following table (in thousands of dollars):

	1964 actual	1965 estimate	1966 estimate
Due at beginning of year.....	104,745	87,770	31,499
Costs for year:			
Program.....	71,216	30,427	37,193
Interest.....	1,988	1,072	1,318
Total.....	73,204	31,499	38,511
Total due.....	177,949	119,269	70,010
Reimbursement to Commodity Credit Corporation.....	90,179	87,770	31,499
Appropriation 1965, 1966, and 1967.....	87,770	31,499	38,511

(8) *Grain for migratory waterfowl feed.*—To prevent damage of crops by migratory waterfowl, the Corporation is directed to furnish to the Secretary of the Interior (7 U.S.C. 442-445) such grain acquired through price-support operations and certified by Commodity Credit Corporation as available for such purposes or in such condition as to be undesirable for human consumption, as the Secretary of the Interior shall requisition. This appropriation item is included under that Department.

(9) *Surplus grain for migratory birds.*—Under Public Law 87-152, approved August 17, 1961 (17 U.S.C. 448), the Secretary of the Interior may requisition grain of the Corporation to feed starving migratory birds. This appropriation item is included under that Department.

(10) *Surplus grain for resident game birds.*—Any State, under Public Law 87-152, upon the finding of the Secretary of the Interior that resident game birds and other resident wildlife are threatened with starvation, may requisition grain from Corporation stocks (7 U.S.C. 447). Recovery of costs of grain furnished to the States is included in the appropriation Reimbursement for net realized losses.

(11) *Grading and classing activities.*—The Corporation may make advances to the Agricultural Marketing Service for classing and grading of agricultural commodities without charge to producers (7 U.S.C. 414a, 440). Such advances used for classing cotton and grading tobacco not placed under price-support loan are repaid from an appropriation of the Agricultural Marketing Service.

(12) *Research to increase domestic consumption of farm commodities.*—The Department of Agriculture and Related Agencies Appropriation Act of 1964, Public Law 88-250, approved December 30, 1963, authorized the transfer of not more than \$16 million from the appropriation, Removal of surplus agricultural commodities (sec. 32) to the Corporation to be used to increase domestic consumption of surplus farm commodities, and provided for the transfer for such purposes of such sums, not in excess of \$25 million in any one year, as may be approved by Congress. The 1965 appropriation act authorized the transfer of \$12,175 thousand of section 32 funds for this purpose. The Corporation transfers such funds to the Agricultural Research Service and Cooperative State Research Service to conduct the required research. For comparability, all transactions under this item are shown in the budget schedules for these two agencies.

COMMODITY CREDIT CORPORATION—Continued

Public enterprise funds—Continued

SPECIAL ACTIVITIES—Continued

(13) *Research to reduce surplus commodities.*—The Department of Agriculture and Related Agencies Appropriation Act of 1964 authorized Commodity Credit Corporation to transfer not to exceed \$15 million to the Agricultural Research Service for utilization research and development, cost of production research, and other related research designed to reduce surplus commodities held or to be held by the Corporation. The recovery of costs of this research is included in the appropriation Reimbursement for net realized losses.

(14) *Soil bank program.*—Under section 120 of the Agricultural Act of 1956 (7 U.S.C. 1808) the Secretary of Agriculture uses the facilities of the Corporation to make payments to farmers under this program.

(15) *Cropland conversion, agricultural conservation and emergency conservation measures programs.*—Under section 101 of the Food and Agriculture Act of 1962, Public Law 87-703, approved September 27, 1962 (16 U.S.C. 590h(f)), the Secretary uses the services, facilities, and authorities of the Corporation to make payments to producers under programs formulated pursuant to sections 8 and 16(e) of the Soil Conservation and Domestic Allotment Act, as amended.

(16) *Transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation.*—The act of July 10, 1957 (71 Stat. 290), authorized the transfer of 50,000 bales of domestically grown extra long-staple cotton from the national stockpile to the Corporation for sale. Also, about 219,000 bales of extra long-staple cotton, both American-Egyptian and foreign grown, remaining in the stockpile were made available to the Corporation for disposition under Public Law 87-548, approved July 25, 1962. Proceeds less costs incurred, including administrative expenses, are covered into the Treasury as miscellaneous receipts.

(17) *Loans for agricultural conservation.*—Under section 391(c) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1391), the Corporation advances funds to the Secretary in amounts not to exceed \$50 million annually to purchase conservation materials and services. Repayments of the loans plus interest are made in the succeeding fiscal year from funds appropriated for the agricultural conservation program.

Financing.—The programs of the Corporation are financed by capital stock, borrowings, guarantees to purchase notes or other obligations evidencing loans held by financial institutions, issuance of certificates of interest in loans held by the Corporation, appropriations to reimburse the Corporation for net realized losses, appropriations to reimburse the Corporation for costs of the National Wool Act, advances and reimbursements from appropriations for foreign assistance programs and special export programs, and receipts from operations.

Borrowing Authority.—The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion.

Funds are borrowed from Treasury and may also be borrowed from private lending agencies. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made or held by lending agencies or other financial institutions

or certificates of interest issued in connection with the financing of price-support operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1938 (15 U.S.C. 713a-4).

Interest on borrowings from the Treasury (and on capital stock) is paid in accordance with a policy of the Treasury that the rate shall be based upon the average interest rate on all outstanding marketable obligations (of comparable maturity date) of the United States as of the preceding month. Interest is also paid on certificates of interest and lending agency obligations for the period the agencies have their funds invested.

It is proposed to add a proviso to section 4 of the act of March 8, 1938, which will have the effect of (1) terminating at the close of 1965 and each succeeding fiscal year, interest on borrowings from the Treasury in an amount equivalent to the realized losses sustained by the Corporation during 1965 and succeeding fiscal years, and (2) terminating at the close of 1964 interest on unreimbursed losses of 1964 and prior fiscal years, for which the Corporation has not been reimbursed by appropriation. Interest would continue to be charged on borrowings for losses sustained during a particular fiscal year but not after the end of that fiscal year. This would limit interest expenses to borrowings for current operations and would avoid increasing future appropriation requests by interest charges resulting solely from deferral of reimbursement to the Corporation for realized costs and losses applicable to past operations.

On the basis of the budgetary assumptions described, including proposed legislation, the consequent estimated program requirements currently indicate no need for an increase in borrowing authority. Since there are so many uncontrollable factors affecting the programs of the Corporation involving crops which have not even been planted, it must be recognized that estimates of the use of borrowing authority are highly tentative. Should program developments occur which would indicate a need for funds in excess of those contained in these estimates, or if proposals for farm legislation and interest relief are not enacted, additional appropriations may need to be requested.

POSITION WITH RESPECT TO BORROWING AUTHORITY AS OF JUNE 30

(In millions of dollars)

	1964 actual	1965 estimate	1966 estimate
Statutory borrowing authority.....	14,500	14,500	14,500
Deduct borrowings from Treasury.....	13,990	12,703	12,307
Obligations to purchase loans or certificates held by financial institutions (guaranteed by Commodity Credit Corporation).....	377	835	835
Accrued interest on above obligations and certificates held by financial institutions.....	8	15	15
Total statutory borrowing authority in use.....	14,375	13,553	13,157
Net statutory borrowing authority available.....	125	947	1,343

Note.—This table does not reflect the following charges: accounts payable, accrued liabilities, and obligations outstanding other than obligations to purchase notes and certificates held by banks and accrued interest on such certificates. These do not become charges against the statutory borrowing authority until they result in either borrowings from Treasury, or loans or certificates held by banks and accrued interest on such certificates.

Reimbursement for net realized losses.—Under Public Law 87-155 (15 U.S.C. 713a11, 12), annual appropriations are authorized for each fiscal year commencing with fiscal year ending June 30, 1961, to reimburse the Commodity Credit Corporation for net realized losses incurred during such fiscal year as reflected in its accounts and shown in its report of financial condition as of the close of each fiscal year.

The realized losses reflected in the accounts of the Corporation and in its report of financial condition as of June 30, 1964, was \$3,226.8 million. However, it is estimated that an appropriation of \$2,300 million would provide sufficient funds for the operations described and for prior year commitments and contract authorizations. It would also leave a desirable operating margin so necessary to assure flexibility of operations in view of the tremendous volume of transactions handled by the Corporation.

A change in appropriation language is also being proposed regarding the interest-free borrowings on unreimbursed realized losses as discussed under borrowing authority, above.

The net realized losses of the Corporation have previously been reimbursed as follows (in thousands of dollars):

PRICE SUPPORT, EXPORT, SUPPLY, AND RELATED PROGRAMS AND SPECIAL MILK

Realized losses, 1933 to 1964, inclusive.....	24,218,763
Reimbursements by the Treasury:	
Reimbursement of realized losses:	
Appropriations (15 times).....	13,845,178
Note cancellations (6 times).....	2,697,807

PRICE SUPPORT, EXPORT, SUPPLY, AND RELATED PROGRAMS AND SPECIAL MILK—Continued

Reimbursements by the Treasury—Continued	
Reimbursements of realized losses—Continued	
Less dividends paid to Treasury (4 times).....	138,209
Total reimbursement for net realized losses.....	16,404,776
Other reimbursements:	
Appropriations (2 times).....	541,916
Note cancellation (1 time).....	56,239
Total other reimbursements.....	598,155
Reimbursement for costs of special milk, net.....	177,425
Total.....	17,180,356
Realized deficit, as of June 30, 1964, price support, export, supply, and related programs and special milk.....	7,038,407

SPECIAL ACTIVITIES

Realized losses, 1948 to 1964, inclusive.....	10,773,306
Reimbursements by the Treasury:	
Appropriations (15 times).....	9,478,426
Note cancellations (4 times).....	536,518
Total reimbursements.....	10,014,944
Deficit as of June 30, 1964, special activities.....	758,362

Proposed for separate transmittal (under existing legislation).—Projections of the demands on the Corporation's \$14.5 billion borrowing power indicate that it will be exhausted during January 1965. A supplemental appropriation of \$1,180,853 thousand is proposed to enable the Corporation to finance its operations during the remainder of 1965. This amount is the unreimbursed realized loss incurred in 1962 and 1963.

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
PRICE SUPPORT, EXPORT, SUPPLY, AND RELATED PROGRAMS			
Price support, export, supply, and related programs:			
Revenue.....	2,180,308	2,801,172	2,830,664
Expense: Cost of commodities sold and other expense.....	5,407,205	6,009,909	5,371,620
Net realized loss.....	-3,226,897	-3,208,737	-2,540,956
Decrease in provision for losses on commodities for sale (unrealized).....	-278,519	-65,065	-100,026
Decrease in provision for losses on loans receivable (unrealized).....	-236,677	-29,517	-11,109
Decrease in provision for losses on accounts receivable (unrealized).....	-2,050	-87	
Total expense.....	4,889,959	5,915,240	5,260,485
Net operating loss, price support, export, supply, and related programs.....	-2,709,651	-3,114,068	-2,429,821
Special milk program:			
Revenue (prior year adjustments, net).....	387	12	
Net loss for the year:			
Realized.....	-3,226,510	-3,208,725	-2,540,956
Unrealized (net decrease in provision for losses).....	517,246	94,669	111,135
Net loss for the year, price support, export, supply, and related programs.....	-2,709,264	-3,114,056	-2,429,821
Analysis of deficit:			
Deficit, start of year.....	-8,155,832	-8,165,871	-8,525,349
Appropriations (net):			
Reimbursement for net realized losses.....	2,699,400	1,574,000	2,300,000
Adjustment for reimbursement for losses (grain for resident game birds).....			-211
Proposed for separate transmittal.....		1,180,853	
Reimbursement for costs of special milk program.....	-175	-275	
Deficit, end of year:			
Realized.....	-7,038,407	-7,492,554	-7,733,721
Unrealized.....	-1,127,464	-1,032,795	-921,660
Total deficit, end of year, price support, export, supply, and related programs.....	-8,165,871	-8,525,349	-8,655,381

COMMODITY CREDIT CORPORATION—Continued

Public enterprise funds—Continued

Revenue, Expense, and Retained Earnings (in thousands of dollars)—Continued

	1964 actual	1965 estimate	1966 estimate
SPECIAL ACTIVITIES (see schedule)			
Revenue.....	14,550	30,350	172,721
Expense.....	2,125,228	2,017,002	1,978,791
Net operating loss, special activities.....	-2,110,678	-1,986,652	-1,806,070
Analysis of deficit:			
Deficit, start of year.....	-626,907	-758,362	-103,737
Appropriations:			
National Wool Act.....	90,179	87,770	31,499
Reimbursement to Commodity Credit Corporation for realized losses (grain for resident game birds).....			211
Advances from foreign assistance programs and special export programs:			
Current authorization.....	1,889,044	1,992,151	1,738,044
Proposed for separate transmittal.....		561,356	
Deficit, end of year, special activities.....	-758,362	-103,737	-140,053
Total deficit, Commodity Credit Corporation.....	-8,924,233	-8,629,086	-8,795,434

Financial Condition (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Cash:				
Treasury balance.....	35,653	2,457	14,953	19,272
Current assets:				
Price support, export, supply, and related programs: Accounts receivable:				
Accrued assets.....	5,323	2,243	3,000	3,000
Advances on pooled certificates.....	303,172	1,271,659	2,327,500	3,220,300
Other accounts receivable (net).....	180,962	176,718	254,000	269,000
Net accounts receivable, price support, export, supply, and related programs.....	489,457	1,450,620	2,584,500	3,492,300
Special activities: Accounts receivable: Due from sales and use of foreign currencies: Public Law 480, Title I: Future recoveries from sales of currencies.....	395,548	179,336		
Stockpile cotton.....	237	287	268	300
Total current assets (accounts receivable).....	885,242	1,630,243	2,584,768	3,492,600
Selected assets: ¹				
Price support, export, supply, and related programs:				
Commodities for sale, net:				
Agricultural commodities.....	3,573,494	3,466,542	3,207,265	2,794,225
Strategic and critical materials.....	10,445	8,207	7,000	6,000
Total commodities for sale.....	3,583,939	3,474,749	3,214,265	2,800,225
Deferred and undistributed charges.....	8,390	2,244	3,000	3,000
Total selected assets.....	3,592,329	3,476,993	3,217,265	2,803,225
Loans receivable, net:				
Price support and storage facilities loans.....	2,107,374	2,556,981	2,264,650	2,141,585
Less loans and certificates held by lending agencies.....	834,134	377,438	835,000	835,000
Price support and storage facility loans, net.....	1,273,240	2,179,543	1,429,650	1,306,585
Special activities.....	50,000	49,360	49,360	49,360
Total loans receivable, net.....	1,323,240	2,228,903	1,479,010	1,355,945
Fixed assets, net.....	98,751	86,271	72,645	55,673
Total assets.....	5,935,215	7,424,867	7,368,641	7,726,715

Financial Condition (in thousands of dollars)—Continued

	1963 actual	1964 actual	1965 estimate	1966 estimate
Liabilities:				
Current liabilities:				
Price support, export, supply, and related programs:				
Obligations to redeem pooled certificates.....	303,172	1,271,659	2,327,500	3,223,300
Obligations to redeem certificates not pooled.....	168	46,114	71,600	85,500
Accounts payable.....	165,196	168,613	158,564	170,664
Accrued interest on loans or certificates held by lending agencies ²	14,365	7,937	15,000	15,000
Accrued interest—Treasury.....	191,988	427,134	305,895	262,929
Other accrued liabilities.....	174,174	161,485	180,000	190,000
Trust and deposit liabilities.....	54,657	138,514	80,000	100,000
Deferred and undistributed credits.....	68,693	24,974	40,000	54,000
Total current liabilities, price support, export, supply, and related programs.....	972,413	2,246,430	3,178,559	4,098,393
Special activities:				
National Wool Act payments due producers.....	41,000	267		
Amounts due Treasury for sale of stockpile cotton.....	543	12,403	16,168	16,756
Total special activities.....	41,543	12,670	16,168	16,756
Total current liabilities.....	1,013,956	2,259,100	3,194,727	4,115,149
Government equity:				
Interest bearing capital:				
Start of year:				
Capital stock.....	100,000	100,000	100,000	100,000
Borrowings from Treasury.....	12,990,000	13,604,000	13,990,000	8,419,000
Total, start of year.....	13,090,000	13,704,000	14,090,000	8,519,000
Borrowings from Treasury, net.....	614,000	386,000	-5,571,000	-1,305,000
End of year:				
Borrowings from Treasury ²	13,604,000	13,990,000	8,419,000	7,114,000
Capital stock.....	100,000	100,000	100,000	100,000
Total, end of year, interest-bearing capital.....	13,704,000	14,090,000	8,519,000	7,214,000
Noninterest-bearing capital (proposed):				
Borrowings from Treasury ² (for prior years' unreimbursed losses):				
Start of year.....				4,284,000
Borrowings from Treasury (net).....			4,284,000	909,000
End of year (noninterest bearing) ²			4,284,000	5,193,000
Total capital, end of year.....	13,704,000	14,090,000	12,803,000	12,407,000
Deficit:				
Price support, export, supply, and related programs:				
Net realized deficit.....	-6,511,124	-7,038,407	-7,492,554	-7,733,721
Net unrealized deficit.....	-1,644,710	-1,127,464	-1,032,795	-921,660
Total deficit, price support, export, supply, and related programs.....	-8,155,834	-8,165,871	-8,525,349	-8,655,381
Total deficit, special activities (realized).....	-626,907	-758,362	-103,737	-140,053
Total deficit.....	-8,782,741	-8,924,233	-8,629,086	-8,795,434
Total Government equity.....	4,921,259	5,165,767	4,173,914	3,611,566

Analysis of Government Equity and Undrawn Authorizations (in thousands of dollars)

Obligations other than liabilities: ¹				
Price support, export, supply, and related programs:				
Obligations to purchase loans or certificates held by lending agencies ²	834,134	377,438	835,000	835,000
Commodities under contract to purchase.....	72,899	135,868	100,000	75,000
Purchase agreements outstanding.....	70,703	16,854		
Unrecorded claims.....	7,500	1,360	5,280	5,119
Approved declarations of sales for export.....	47,092	46,125	20,000	10,000
Producer eligibility for price support.....		25,379	450,000	417,490
Price support payment commitments.....	493,000	319,000	525,800	532,000
Feed grain program commitments.....	282,400	503,000	515,900	972,400
Wheat stabilization program commitments.....	126,000	34,000	40,000	40,000
Cotton equalization payments.....		23,000		
Total obligations other than liabilities, price support, export, supply, and related programs.....	1,933,728	1,482,024	2,491,980	2,887,009

See footnotes at end of table.

COMMODITY CREDIT CORPORATION—Continued

Public enterprise funds—Continued

Analysis of Government Equity and Undrawn Authorizations (in thousands of dollars)—Continued

	1963 actual	1964 actual	1965 estimate	1966 estimate
Special activities (recoverable obligations):				
Letters of commitment—title I.....	241,335	247,289	217,900	204,000
Letters of commitment—title IV.....	16,703	21,833	72,000	78,600
Approved declarations of sales for export.....	13,039	3,329		
Total obligations other than liabilities, special activities.....	271,077	272,451	289,900	282,600
Total obligations other than liabilities.....	2,204,805	1,754,475	2,781,880	3,169,609
Unfunded obligated balance (contract authority) ²	-1,401,866	-1,870,875	-1,579,886	-1,579,886
Invested capital.....	5,014,320	5,792,167	4,768,920	4,214,843
Subtotal.....	5,817,259	5,675,767	5,970,914	5,804,566
Less undrawn authorizations.....	-896,000	-510,000	-1,797,000	-2,193,000
Total Government equity.....	4,921,259	5,165,767	4,173,914	3,611,566

Note.—In addition to obligations other than liabilities the Corporation does not reflect in its accounts claims by the Corporation on which adequate proof has not been established.

¹ The changes in these items are reflected on the program and financing schedule.

² Statutory obligations against borrowing authority include only borrowings from Treasury and obligations to purchase notes, certificates, or other obligations evidencing loans held by banks and accrued interest on such obligations. Other obligations, contingent liabilities, and commitments do not become charges against the statutory borrowing authority until they result in either borrowings from Treasury or in notes, certificates or other obligations evidencing loans held by banks and accrued interest on such obligations.

Object Classification (in thousands of dollars)

Identification code 05-48-4336-0-3-999	1964 actual	1965 estimate	1966 estimate
COMMODITY CREDIT CORPORATION			
22.0 Transportation of things.....	401,954	374,651	307,697
25.0 Other services.....	8,868	4,514	9,023
Advances to Expenses, Agricultural Stabilization and Conservation Service.....	56,516	63,562	40,516
26.0 Storage and handling.....	400,356	344,835	317,432
26.0 Supplies and materials: Cost of commodities sold or donated:			
Foreign assistance programs and special export programs.....	1,079,748	1,236,439	1,186,470
Other.....	2,455,579	2,721,530	2,479,233
31.0 Equipment.....	1,144	600	200
33.0 Loans.....	3,282,850	1,988,012	2,347,196
41.0 Grants, subsidies, and contributions.....	1,523,208	2,308,773	1,988,569
43.0 Interest.....	453,903	338,058	300,052
93.0 Administrative expenses—See separate schedule.....	36,203	35,904	33,987
92.0 Undistributed: Foreign assistance programs and special export programs.....	788,728	506,332	556,695
Total costs, funded.....	10,489,057	9,923,210	9,567,070
94.0 Change in selected resources.....	-565,666	767,677	-26,311
Total obligations, Commodity Credit Corporation.....	9,923,391	10,690,887	9,540,759
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
Personnel compensation:			
11.1 Permanent positions.....	558	548	500

Object Classification (in thousands of dollars)—Continued

Identification code 05-48-4336-0-3-999	1964 actual	1965 estimate	1966 estimate
ALLOCATION TO GENERAL SERVICES ADMINISTRATION—Con.			
Personnel compensation—Con.			
11.5 Other personnel compensation.....	12		
Total personnel compensation.....	570	548	500
12.0 Personnel benefits.....	40	41	38
21.0 Travel and transportation of persons.....	27	26	26
Payment to interagency motor pools.....	6	4	4
22.0 Transportation of things.....	469	938	1,598
23.0 Rent, communications, and utilities.....	23	27	25
24.0 Printing and reproduction.....	2	2	2
25.1 Other services.....	503	859	508
25.2 Services of other agencies.....	55	96	57
26.0 Supplies and materials.....	110	100	100
31.0 Equipment.....	5	3	3
Total obligations, General Services Administration.....	1,810	2,644	2,861
99.0 Total obligations.....	9,925,201	10,693,531	9,543,620

Personnel Summary

ALLOCATION ACCOUNT			
Total number of permanent positions.....	85	76	64
Average number of all employees.....	78	71	63
Average GS grade.....	7.5	8.0	8.2
Average GS salary.....	\$7,312	\$8,124	\$8,187
Average salary of ungraded positions.....	\$6,585	\$6,614	\$6,675

SCHEDULE OF SPECIAL ACTIVITIES

[In thousands of dollars]

(In thousands of dollars)														Balance as of June 30	
	Sur- plus (-) or deficit, accounts receiv- able and unpaid obliga- tions (-) as of July 1	Program expenditures					Receipts				Special appropri- ations to reimburse Commodity Credit Corpora- tion (net)	Recover- able from special appropri- ations, surplus (-) or deficit	Accounts receiv- able and unpaid obliga- tions (-) ²		
		Com- modity transfers from price- support program	Other costs and capital outlay ¹	Total program costs	Increase (-) or de- crease in unpaid obliga- tions	Gross expendi- tures	Revenue and other receipts	Increase (-) or de- crease in accounts receivable	Net budget expendi- tures	Net operat- ing loss					
RECOVERABLE COSTS															
FOREIGN ASSISTANCE PROGRAMS AND SPECIAL EXPORT PROGRAMS															
Foreign Assistance Programs															
Public Law 480:															
Title I:															
Sale of surplus agricultural com- modities for foreign currencies:															
1964.....	270,730	453,632	1,182,605	1,636,237	-----	1,636,237	-----	-----	1,636,237	1,636,237	1,452,000	454,967	-----		
1965.....	454,967	209,657	1,233,564	1,443,221	-----	1,443,221	13,188	-----	1,430,033	1,430,033	1,885,000	-----	-----		
1966.....	-----	195,164	1,104,632	1,299,796	-----	1,299,796	155,796	-----	1,144,000	1,144,000	1,144,000	-----	-----		
Future recoveries:															
Sales of currencies and loan re- payments:															
1964.....	395,548	-----	-----	-----	-----	-----	-----	216,212	-216,212	-----	-----	-----	179,336		
1965.....	179,336	-----	-----	-----	-----	-----	-----	179,336	-179,336	-----	-----	-----	-----		
1966.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----		
Military housing:															
1964.....	65,452	-----	-----	-----	-----	-----	4,719	-----	-4,719	-4,719	-----	60,733	-----		
1965.....	60,733	-----	-----	-----	-----	-----	4,033	-----	-4,033	-4,033	-----	56,700	-----		
1966.....	56,700	-----	-----	-----	-----	-----	4,000	-----	-4,000	-4,000	-----	52,700	-----		
Subtotal, future recoveries:															
1964.....	461,000	-----	-----	-----	-----	-----	4,719	216,212	-220,931	-4,719	-----	60,733	179,336		
1965.....	240,069	-----	-----	-----	-----	-----	4,033	179,336	-183,369	-4,033	-----	56,700	-----		
1966.....	56,700	-----	-----	-----	-----	-----	4,000	-----	-4,000	-4,000	-----	52,700	-----		
Total, Public Law 480, title I:															
1964.....	731,730	453,632	1,182,605	1,636,237	-----	1,636,237	4,719	216,212	1,415,306	1,631,518	1,452,000	515,700	179,336		
1965.....	695,036	209,657	1,233,564	1,443,221	-----	1,443,221	17,221	179,336	1,246,664	1,426,000	1,885,000	56,700	-----		
1966.....	56,700	195,164	1,104,632	1,299,796	-----	1,299,796	159,796	-----	1,140,000	1,140,000	1,144,000	52,700	-----		
Title II:															
Commodities disposed of for emergency famine relief to friendly peoples:															
1964.....	-9,956	150,057	78,142	228,199	-----	228,199	-----	-----	228,199	228,199	215,451	2,792	-----		
1965.....	2,792	140,863	69,675	210,538	-----	210,538	-----	-----	210,538	210,538	220,453	-7,123	-----		
1966.....	-7,123	217,007	88,616	305,623	-----	305,623	-----	-----	305,623	305,623	298,500	-----	-----		
Title IV:															
Long-term supply contracts:															
1964.....	56,195	13,331	51,796	65,127	-----	65,127	4,671	-----	60,456	60,456	52,515	* 64,136	-----		
1965.....	64,136	41,415	173,549	214,964	-----	214,964	10,700	-----	204,264	204,264	268,400	-----	-----		
1966.....	-----	44,646	181,739	226,385	-----	226,385	10,885	-----	215,500	215,500	215,500	-----	-----		
Total, foreign assistance pro- grams, Public Law 480:															
1964.....	777,969	617,020	1,312,543	1,929,563	-----	1,929,563	9,390	216,212	1,703,961	1,920,173	1,719,966	582,628	179,336		
1965.....	761,964	391,935	1,476,788	1,868,723	-----	1,868,723	27,921	179,336	1,661,466	1,840,802	2,373,853	49,577	-----		
1966.....	49,577	456,817	1,374,987	1,831,804	-----	1,831,804	170,681	-----	1,661,123	1,661,123	1,658,000	52,700	-----		
Special Export Programs															
International Wheat Agreement:															
1964.....	17,274	115,046	10,737	125,783	-----	125,783	-----	-----	125,783	125,783	86,218	56,839	-----		
1965.....	56,839	24,500	5,455	29,955	-----	29,955	-----	-----	29,955	29,955	86,794	-----	-----		
1966.....	-----	23,600	3,944	27,544	-----	27,544	-----	-----	27,544	27,544	27,544	-----	-----		
Bartered materials for supplemental stockpile:															
1964.....	35,522	37,665	-----	37,665	-----	37,665	-----	-----	37,665	37,665	82,860	-9,673	-----		
1965.....	-9,673	80,033	-----	80,033	-----	80,033	-----	-----	80,033	80,033	92,860	-22,500	-----		
1966.....	-22,500	75,000	-----	75,000	-----	75,000	-----	-----	75,000	75,000	52,500	-----	-----		
Subtotal, foreign assistance pro- grams and special export programs:															
1964.....	830,765	769,731	1,323,280	2,093,011	-----	2,093,011	9,390	216,212	1,867,409	2,083,621	1,889,044	629,794	179,336		
1965.....	809,130	496,468	1,482,243	1,978,711	-----	1,978,711	27,921	179,336	1,771,454	1,950,790	2,553,507	27,077	-----		
1966.....	27,077	555,417	1,378,931	1,934,348	-----	1,934,348	170,681	-----	1,763,667	1,763,667	1,738,044	52,700	-----		
Other Programs															
Military housing (barter and ex- change):															
1964.....	43,416	-----	-----	-----	-----	-----	3,027	-----	-3,027	-3,027	-----	40,389	-----		
1965.....	40,389	-----	-----	-----	-----	-----	2,389	-----	-2,389	-2,389	-----	38,000	-----		
1966.....	38,000	-----	-----	-----	-----	-----	2,000	-----	-2,000	-2,000	-----	36,000	-----		
National Wool Act:															
1964.....	104,745	-----	32,204	32,204	40,733	72,937	-----	-----	72,937	32,204	90,179	87,770	-267		
1965.....	87,503	-----	31,499	31,499	267	31,766	-----	-----	31,766	31,499	87,770	31,499	-----		
1966.....	31,499	-----	38,511	38,511	-----	38,511	-----	-----	38,511	38,511	* 31,499	38,511	-----		
Grain for migratory waterfowl feed (Interior):															
1964.....	181	13	-----	13	-----	13	-----	-----	13	13	-----	194	-----		
1965.....	194	35	-----	35	-----	35	35	-----	-----	-----	-----	194	-----		
1966.....	194	35	-----	35	-----	35	35	-----	-----	-----	-----	194	-----		
Surplus grain for migratory birds (In- terior):															
1964.....	4	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	4	-----		
1965.....	4	5	-----	5	-----	5	5	-----	-----	-----	-----	4	-----		
1966.....	4	5	-----	5	-----	5	5	-----	-----	-----	-----	4	-----		

See footnotes at end of table.

COMMODITY CREDIT CORPORATION—Continued

Public enterprise funds—Continued

SCHEDULE OF SPECIAL ACTIVITIES—Continued

[In thousands of dollars]

	Sur- plus (-) or deficit, accounts receiv- able and unpaid obliga- tions (-) as of July 1	[in thousands of dollars]										Balance as of June 30		
		Program expenditures					Receipts					Special appropri- ations to reimburse Commodity Credit Corpora- tion (net)	Recov- er- able from special appropri- ations, surplus (-) or deficit	Accounts receiv- able and unpaid obliga- tions (-) ¹
		Com- modity transfers from price- support program	Other costs and capital outlay ¹	Total program costs	Increase (-) or de- crease in unpaid obliga- tions	Gross expendi- tures	Revenue and other receipts	Increase (-) or de- crease in accounts receivable	Net budget expendi- tures	Net operat- ing loss				
RECOVERABLE COSTS—Continued														
Other Programs—Continued														
Surplus grain for resident game birds (States):														
1964.....	211	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	211	-----
1965.....	211	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	211	-----
1966.....	211	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	211	-----
Research to increase domestic con- sumption of farm commodities (other transactions included un- der Agricultural Research Service and Cooperative State Research Service):														
1964.....	-----	-----	-----	-----	-----	-----	-----	553	-----	-----	-----	-----	-----	-----
1965.....	-----	-----	-----	-----	-----	-----	-----	8,593	-----	-----	-----	-----	-----	-----
1966.....	-----	-----	-----	-----	-----	-----	-----	8,470	-----	-----	-----	-----	-----	-----
Research to reduce surplus commo- dities:														
1964.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
1965.....	-----	-----	6,752	6,752	-----	6,752	-----	6,752	6,752	-----	-----	-----	6,752	-----
1966.....	6,752	-----	5,892	5,892	-----	5,892	-----	5,892	5,892	-----	-----	-----	12,644	-----
Cropland conversion program: ²														
1964.....	2,133	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation:														
1964.....	-305	-----	-----	-----	-11,860	-11,860	-----	-50	-11,810	-----	-----	-----	-----	-12,115
1965.....	-12,115	-----	-----	-----	-3,766	-3,766	-----	19	-3,785	-----	-----	-----	-----	-15,900
1966.....	-15,900	-----	-----	-----	-588	-588	-----	-32	-556	-----	-----	-----	-----	-16,456
Subtotal, other programs:														
1964.....	150,385	13	32,204	32,217	28,873	61,090	5,160	-50	58,666	27,057	90,179	128,568	-----	-12,382
1965.....	116,186	40	38,251	38,291	-3,499	34,792	2,429	19	40,937	35,862	87,770	76,660	-----	-15,900
1966.....	60,760	40	44,403	44,443	-588	43,855	2,040	-32	50,317	42,403	31,710	87,353	-----	-16,456
Total, recoverable costs:														
1964.....	981,150	769,744	1,355,484	2,125,228	28,873	2,154,101	14,550	216,162	1,926,075	2,110,678	1,979,223	758,362	-----	166,954
1965.....	925,316	496,508	1,520,494	2,017,002	-3,499	2,013,503	30,350	179,355	1,812,391	1,986,652	2,641,277	103,737	-----	-15,900
1966.....	87,837	555,457	1,423,334	1,978,791	-588	1,978,203	172,721	-32	1,813,984	1,806,070	1,769,754	140,053	-----	-16,456
CAPITAL OUTLAY														
Loans for agricultural conservation:														
1964.....	50,000	-----	50,000	-----	-----	50,000	50,640	-----	-640	-----	-----	-----	-----	49,360
1965.....	49,360	-----	50,000	-----	-----	50,000	50,000	-----	-----	-----	-----	-----	-----	49,360
1966.....	49,360	-----	50,000	-----	-----	50,000	50,000	-----	-----	-----	-----	-----	-----	49,360

¹ Includes interest on balance recoverable as follows (thousands): 1964, \$20,984; 1965, \$10,934; 1966, \$2,596.

² Consists of the following (1) Public Law 480, title I, sale of surplus agricultural commodities for foreign currencies—amounts to be recovered from Government agencies; (2) reimbursement for costs of National Wool Act—amounts of liability for accrued payments due producers which will be paid in the succeeding fiscal year; (3) transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation—amount available for payment of additional cost or for deposit in the Treasury as miscellaneous receipts; (4) loans for agricultural conservation purposes—amount due from Secretary of Agriculture for advance purchase of conservation materials and services. In addition to the unpaid obligations, the following commitments relating to these programs were outstanding at the end of each year as indicated (in thousands of dollars):

	June 30, 1963	June 30, 1964	June 30, 1965	June 30, 1966
Letters of commitment:				
Public Law 480, title I.....	241,335	247,289	217,900	204,000
Public Law 480, title IV.....	16,703	21,833	72,000	78,600
International Wheat Agreement, approved declarations of sales for export.....	13,039	3,329		
Total commitments.....	271,077	272,451	289,900	282,600
Change in selected resources.....		1,374	17,449	-7,300

³ Amounts due from foreign governments—1964, \$125,577 thousand.

⁴ Reimbursement limited to actual expenditures of preceding fiscal year and prior fiscal year amounts not previously reimbursed.

⁵ Included in Reimbursement to Commodity Credit Corporation for net realized losses.

⁶ Amount in parentheses is contained in cropland conversion program under Agricultural Stabilization and Conservation Service.

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed [\$37,351,000] \$38,650,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$945,000 of this authorization shall be available only to expand and strengthen the sales

program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal

services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof [*Provided further*, That no part of the administrative funds authorized under this head or of the capital funds of the Commodity Credit Corporation shall be available to formulate or administer a cotton loan program during fiscal year 1965 which requires that micronaire readings shall be mandatory as a part of the cotton classing in connection with cotton loans]. (15 U.S.C. 714-714p; 31 U.S.C. 841-871; *Department of Agriculture and Related Agencies Appropriation Act, 1965*.)

Program and Financing (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Price support, export, and related activities (program costs funded)-----	36,247	35,904	33,987
Change in selected resources ¹ -----	-44		
Total obligations-----	36,203	35,904	33,987
Financing:			
Unobligated balance lapsing-----	5,447	152	84
Reserve for contingencies-----		1,295	2,579
Limitation-----	41,650	37,351	36,650

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$180 thousand (1964 adjustments, -\$136 thousand); 1964, \$0; 1965, \$0.

Object Classification (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
25.2 Services of other agencies:			
Advanced to—			
“Expenses, Agricultural Stabilization and Conservation Service”-----	34,863	34,339	32,295
“Salaries and expenses, Foreign Agricultural Service”-----	1,340	1,565	1,692
93.0 Administrative expenses included in schedule for funds as a whole-----	-36,203	-35,904	-33,987
Total obligations-----			

FOREIGN ASSISTANCE PROGRAMS AND SPECIAL EXPORT PROGRAMS

A number of laws provide for the facilities of the Commodity Credit Corporation to be used in carrying out programs for exporting agricultural commodities. These laws also authorize appropriations to be made to cover costs of such programs. Advances are made to the Corporation for estimated costs. If the amounts appropriated are not adequate, the Corporation finances authorized costs in excess of the appropriations pending repayment from later appropriations. On the other hand, any amounts paid to the Corporation which are not used in a particular year will reduce appropriations needed for these programs in a later year.

FOREIGN ASSISTANCE PROGRAMS

Included in this category are the following activities currently being carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended: Sale of surplus agricultural commodities for foreign currencies (title I) (7 U.S.C.

1701-1709); disposition of commodities for famine relief and other foreign assistance (title II) (7 U.S.C. 1721-1724); long-term credit and supply contracts (title IV) (7 U.S.C. 1731-1736).

Public Law 88-638, approved October 8, 1964 amended Public Law 480 to provide, among other things, that expenditures under Public Law 480 should be classified in the budget as expenditures for international affairs and finance rather than for agriculture and agricultural resources.

A change in language is proposed for 1966 to provide a single amount for titles I, II and IV, Public Law 480 programs in lieu of separate amounts for each title. The volume of program operations under titles I and II is limited by the provisions of such law. The amounts appropriated do not constitute a limitation on these operations. This change to a single amount would provide flexibility in financing these programs. They are directly influenced by such unpredictable factors as international negotiations, economic conditions in foreign countries, and availability of transportation facilities. Funds will be allocated to the several titles on the basis of need rather than highly tentative estimates. The statutory limitations on the total amount of agreements which may be entered into under title I and on the volume of operations under title II would continue to be observed. Also, the details of estimated activity will be shown in the budget presentation so that full information on planned program operations will be available.

General and special funds:

PUBLIC LAW 480

For expenses during fiscal year [1965] 1966, not otherwise recoverable during such year, and unrecovered prior years' costs, including interest thereon, under titles I, II, and IV of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1709, 1721-1724, 1731-1736) \$1,658,000,000, to remain available until expended [*as follows*: (1) Sale of surplus agricultural commodities for foreign currencies pursuant to title I of said Act, \$1,612,000,000; (2) commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of said Act, \$220,453,000; and (3) long-term supply contracts pursuant to title IV of said Act, \$35,000,000]. (7 U.S.C. 1431, 1431b, 1431d, 1697, 1731-1733, 1735-1736; 33 U.S.C. 701b note; 78 Stat. 1035-1038; *Department of Agriculture and Related Agencies Appropriation Act, 1965*.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-48-2274-0-1-154			
Program by activities:			
1. Sale of surplus agricultural commodities for foreign currencies (title I)-----	1,452,000	1,612,000	1,144,000
2. Commodities disposed of for emergency famine relief to friendly peoples (title II)-----	215,451	220,453	298,500
3. Long-term supply contracts (title IV) --	52,515	35,000	215,500
10 Total program costs, funded—obligations (object class 41.0)-----	1,719,966	1,867,453	1,658,000
Financing:			
40 New obligational authority (appropriation) -	1,719,966	1,867,453	1,658,000
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) --	1,719,966	1,867,453	1,658,000
90 Expenditures-----	1,719,966	1,867,453	1,658,000

FOREIGN ASSISTANCE PROGRAMS AND SPECIAL EXPORT PROGRAMS—Continued

General and special funds—Continued

PUBLIC LAW 480—Continued

1. *Sale of surplus agricultural commodities for foreign currencies (title I).*—Under this title, the United States accepts foreign currency in payment for surplus agricultural commodities and their products. The main purpose is to increase sales to countries unable to expand commercial purchases because of a lack of dollar exchange. As the economies of countries improve, a gradual shift from title I purchases to dollar purchases occurs.

Sales are made only to "friendly nations"—as defined in section 107 of Public Law 480, 83d Congress.

Foreign currencies received are deposited to the account of the U.S. Treasury and can be used only as stated in section 104. The dollar value of such deposits through June 30, 1964, amounted to \$8.1 billion.

Public Law 88-638 established an advisory committee to review the status and use of foreign currencies and recommend to the President as to how to assure maximum benefits to the United States from the use of foreign currencies and returns from sales made under title I. The committee consists of the Secretary of Agriculture, the Director of the Bureau of the Budget, the Administrator of the Agency for International Development, the chairman and ranking minority member of the House Committee on Agriculture and of the Senate Committee on Agriculture and Forestry. Certain proposals for use of currencies or use of principal or interest repayments (except pursuant to appropriations) are to be submitted to those two committees.

Uses fall into two groups—those of benefit to the foreign country, mainly loans and grants to promote economic development, and to support common defense, and those of benefit to the United States. The latter includes, among others: Expenses of the U.S. Government abroad; agricultural market development; educational exchange; construction of military family housing; sales of foreign currency to U.S. citizens and American tourists.

Foreign currencies for U.S. uses are subject to the appropriation process. Sales agreements specify particular uses, and in those entered into after December 31, 1964, the amount subject to the appropriation process will increase, with certain possible exceptions, from the previous minimum of 10%. Such uses reduce dollar outflow and the deficit in the balance of payments of the United States. The Corporation is reimbursed for the dollar value of currencies so used. In 1964 and 1965, such receipts have been applied to reduce prior years' unrecovered costs due the Commodity Credit Corporation. Dollar repayments of foreign currency loans have also been applied to repay the Corporation. It is anticipated that prior years' costs will have been fully paid during 1965. Thereafter, such proceeds will be applied against current costs. The appropriation estimate reflects these as a reduction in the appropriation needed.

Section 509 of Public Law 86-500, approved June 8, 1960 (7 U.S.C. 1704b note) provides that at least 75% of the total cost of foreign military housing projects (unless

otherwise specified) shall be paid from foreign currencies acquired under title I. The Department of Defense reimburses the Corporation for the foreign currencies used. Pursuant to section 2681(b) of title 10 U.S.C. as amended, the estimates reflect payment to the Corporation of \$6 million each year for amounts due under Public Law 480 and the French housing barter transaction discussed under Commodity Credit Corporation. It is estimated that \$4 million will be applied against Public Law 480 amounts due with a balance of \$52.7 million remaining unpaid as of June 30, 1966.

Sales agreements have been signed with 49 countries. They cover sales of commodities at an export market value of over \$8.9 billion. Major items are wheat, cotton, and fats and oils—74% of the market value total.

Agreements signed under title I prior to January 1, 1965, provide that the United States will finance in dollars the total U.S.-flag ocean transportation costs, and that the United States will receive foreign currencies in an amount equivalent to the foreign-flag rates. For shipments required to be made in U.S.-flag vessels under agreements signed after December 31, 1964, the foreign countries must finance in dollars the freight costs equivalent to the foreign-flag rate.

Agreements may be entered into under title I through December 31, 1966, which will call for appropriations to reimburse Commodity Credit Corporation in a total amount not in excess of \$2.7 billion plus the unused portion of prior years' authorizations for title I and dollar reimbursements from foreign currency sales. Agreements may not be made during either of the last 2 calendar years of this period which would call for an appropriation in excess of \$2.5 billion.

The following table reflects the composition of appropriations for 1964, 1965 and 1966 (in thousands of dollars):

	1964 actual	1965 estimate	1966 estimate
Expenses of shipments:			
Commodity Credit Corporation stocks	453,632	209,657	195,164
Private stocks.....	1,024,766	1,081,790	1,023,870
Ocean transportation.....	141,717	145,773	79,484
Subtotal, expenses of shipments..	1,620,115	1,437,220	1,298,518
Interest expense on unrecovered balance.....	16,122	6,001	1,278
Total expenses of shipments.....	1,636,237	1,443,221	1,299,796
Net proceeds from sales of currencies, and loan repayments.....	-----	-13,188	-155,796
Total current year's costs recoverable from appropriation.....	1,636,237	1,430,033	1,144,000
Unrecovered 1963 costs paid from 1964 funds.....	270,730	-----	-----
Unrecovered 1964 costs paid from 1965 funds.....	-454,967	454,967	-----
Unrecovered 1965 costs financed by CCC until subsequent appropriation.....	-----	-273,000	-----
Total available or estimate.....	1,452,000	1,612,000	1,144,000
Proposed supplemental, 1965.....	-----	273,000	-----
Appropriation or estimate.....	1,452,000	1,885,000	1,144,000

The following table reflects the costs incurred by fiscal year (in thousands of dollars):

	Program expenditures	Interest	Total
1955.....	129,165	355	129,520
1956.....	616,964	7,263	624,227
1957.....	1,361,973	34,400	1,396,373
1958.....	1,089,008	55,710	1,144,718
1959.....	1,089,071	24,183	1,113,254
1960.....	1,279,581	28,388	1,307,969
1961.....	1,513,472	43,843	1,557,315
1962.....	1,588,020	18,071	1,606,091
1963.....	1,721,137	18,234	1,739,371
1964.....	1,620,115	16,122	1,636,237
1965 (estimate).....	1,437,220	6,001	1,443,221
1966 (estimate).....	1,298,518	1,278	1,299,796

Cumulative totals.....	14,744,244	253,848	14,998,092
Deduct sales of currencies, loan repayments, and receipts from Defense Department.....			1,394,288

Net costs.....			13,603,804
Appropriations through June 30, 1966.....			13,551,104

Unreimbursed costs, June 30, 1966, representing amounts due from Defense Department (financed by CCC borrowing authority).....			52,700
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2. *Commodities disposed of for emergency famine relief to friendly peoples (title II).*—Under this title, surplus stocks of the Commodity Credit Corporation are transferred, on a grant basis, to friendly nations or friendly peoples to meet famine or other urgent or emergency relief needs. Grants are also made under authority of this title to promote economic and community development in underdeveloped countries. The Agency for International Development is responsible for administering the title II programs.

Public Law 88-638 amends section 203 to provide that \$7.5 million each year may be spent under this title to buy foreign currencies accruing under title I to meet costs (other than personnel and administrative) of cooperating sponsors, distributing agencies, and recipient agencies, such as those for essential tools and equipment. This is to assure that commodities furnished under titles II and III are used to carry out more effectively the purposes for which these commodities are furnished and to promote community and other self-help activities which would alleviate the causes of the need for such aid.

In the past 10 years, transfer authorizations were issued for about \$1,446 million worth of food under this title including ocean freight costs. Of this total, \$989 million (69%) was for the relief of victims of floods, earthquakes, droughts and plagues, and for refugees, \$165 million (11%) for child feeding, and \$292 million (20%) for economic development. Also, about \$280 million was authorized for ocean freight costs on commodities donated under section 416 of the Agricultural Act of 1949, as amended, making total authorizations of \$1,725 million for the 10 years this program has been in effect.

Section 203 provides for appropriations to cover costs of these programs. These include commodity costs, ocean freight on shipments under this title and ocean freight on shipments under section 416. Also authorized for payment from such appropriations are charges for general average contributions arising out of ocean transport of commodities furnished under the above two laws as well as section 308 of Public Law 480 and section 9 of the act of September 6, 1958.

Through December 31, 1964, a total of \$2,300 million of appropriations were authorized. Since 1958, these were at the rate of \$300 million per calendar year. Title II, as amended by Public Law 88-638, provides that programs of assistance shall not be undertaken under title II during any calendar year beginning January 1, 1965, and ending December 31, 1966, which call for appropriations

for costs incurred of more than \$400 million, plus any unused prior authorization.

The following reflects the composition of the appropriations for 1964, 1965, and 1966 (in thousands of dollars):

	1964 actual	1965 estimate	1966 estimate
Expenses of shipments:			
Commodity Credit Corporation stocks.....	150,057	140,863	217,007
Ocean transportation:			
On above commodities.....	26,447	25,575	42,354
On section 416 donations.....	51,695	44,100	41,262
Total, ocean transportation.....	78,142	69,675	83,616
Total expenses of shipments.....	228,199	210,538	300,623
Purchase of foreign currencies for use in self-help activities.....			5,000
Total expenses.....	228,199	210,538	305,623
1963 funds applied to 1964 costs.....	-9,956		
Unrecovered 1964 costs paid from 1965 funds.....	-2,792	2,792	
1965 funds not applied to program.....		7,123	
1965 funds to be applied to 1966 costs.....			-7,123
Appropriation or estimate.....	215,451	220,453	298,500

The following reflects the costs incurred in carrying out this program by fiscal years (in thousands of dollars):

	Program expenditures	Interest	Total
1955.....	86,623	273	86,896
1956.....	91,277	2,308	93,585
1957.....	120,430	4,461	124,891
1958.....	116,001	5,445	121,446
1959.....	95,511	2,417	97,928
1960.....	93,161	2,339	95,500
1961.....	196,109	2,456	198,565
1962.....	241,939		241,939
1963.....	215,593		215,593
1964.....	228,199		228,199
1965 (estimate).....	210,538		210,538
1966 (estimate).....	305,623		305,623
Cumulative totals.....	2,001,004	19,699	2,020,703
Appropriations through June 30, 1966.....			2,020,703

3. *Long-term supply contracts (title IV).*—This title, which was added in 1959, and amended in 1962, provides for sales of U.S. surplus agricultural commodities under long-term credit and supply contracts. The major objective is to stimulate and increase sales for dollars through credit thereby helping the development of foreign markets and the economies of friendly nations.

Generally, agreements providing for the delivery of surplus agricultural commodities over periods of up to 10 years may be entered into with the governments of friendly nations, including financial institutions acting on behalf of such nations, or with United States and foreign private trade entities. Payments in U.S. dollars for commodities delivered in each calendar year, with interest, are made over periods of up to 20 years, except in certain cases in which payment must be made within 5 years. Interest is charged from the date of last delivery of commodities under the agreement in each calendar year. Rates of interest may not be set at less than the minimum rate required by the Foreign Assistance Act for dollar repayable development loans.

Total agreements made since the inception to June 30, 1964, amounted to \$355.7 million cost value including ocean freight. Major commodities were wheat, cotton, rice, oils and oilseeds. Repayments for the period

FOREIGN ASSISTANCE PROGRAMS AND SPECIAL EXPORT PROGRAMS—Continued

General and special funds—Continued

PUBLIC LAW 480—Continued

amounted to \$4.9 million of which \$3.1 million was applied to principal and the rest to interest.

Appropriations are provided to cover costs of this program but no definite limitation is stated. Previously, appropriations were requested to cover generally the difference between total Commodity Credit Corporation costs and the agreement or export value to be paid by the foreign governments less anticipated repayments during a particular fiscal year. However, as this program has progressively increased, \$125.6 million of costs were due from the foreign governments as of June 30, 1964. The Corporation bears this charge against its borrowing authority which will not be collected for many years. Therefore, it is proposed to include this amount in the 1965 supplemental appropriation estimate as well as 1965 costs not included in the enacted 1965 appropriation. Appropriation requests thereafter will cover total estimated costs less repayments to be received during the year. This will relieve the borrowing authority for use in its mandatory price support and related operations. The foreign governments or private entities would continue to make repayments as stated in the agreements. As repayments actually are received each year, they will be applied against current costs.

The following reflects the composition of the appropriations for 1964, 1965, and 1966 (in thousands of dollars):

	1964 actual	1965 estimate	1966 estimate
Expenses of shipments:			
Commodity Credit Corporation			
stocks.....	13,331	41,415	44,646
Private stocks.....	45,090	150,449	159,000
Ocean transportation.....	4,499	20,300	22,739
Total expenses of shipments.....	62,920	212,164	226,385
Interest expense on unrecovered balance.....	2,207	2,800	-----
Total expenses.....	65,127	214,964	226,385
Repayments from foreign governments including interest (paid to CCC).....	-4,671	-10,700	-10,885
Net expenses.....	60,456	204,264	215,500
Changes in amounts due from foreign governments to be recovered in subsequent years (financed by CCC).....	-45,193	-----	-----
Total current year's costs recoverable from appropriations.....	15,263	204,264	215,500
1963 funds applied to 1964 costs.....	-24,189	-----	-----
Subtotal.....	-8,926	204,264	215,500
Reimbursement to Commodity Credit Corporation for unrecovered prior years' costs due from foreign governments.....	-----	125,577	-----
1963 funds applied to 1965 costs.....	8,926	-8,926	-----
1964 funds to be applied to 1965 and prior year costs.....	52,515	-52,515	-----
Subtotal.....	52,515	268,400	215,500
Total available or estimate.....	52,515	35,000	215,500
Proposed supplemental, 1965.....	-----	233,400	-----
Appropriation or estimate.....	52,515	268,400	215,500

The following table reflects the costs incurred by fiscal years on actual and estimated shipments (in thousands of dollars):

	Program expenditures	Interest	Total
1962.....	28,955	17	28,972
1963.....	79,228	1,133	80,361
1964.....	62,920	2,207	65,127
1965 (estimate).....	212,164	2,800	214,964
1966 (estimate).....	226,385	-----	226,385
Cumulative totals.....	609,652	6,157	615,809
Deduct recoveries from foreign governments.....	-----	-----	26,394
Net costs.....	-----	-----	589,415
Appropriations through June 30, 1966.....	-----	-----	-589,415
Unreimbursed costs, June 30, 1966, financed by CCC borrowing authority.....	-----	-----	-----
Amounts due from foreign governments June 30, 1966, to be applied against costs and reduce subsequent appropriations.....	-----	-----	458,692

Proposed for separate transmittal:

PUBLIC LAW 480

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-48-2274-1-1-154			
Program by activities:			
1. Sale of surplus agricultural commodities for foreign currencies.....	-----	273,000	-----
2. Long-term supply contracts.....	-----	233,400	-----
10 Total program costs, funded—obligations (object class 41.0).....	-----	506,400	-----
Financing:			
40 New obligational authority (proposed supplemental appropriation).....	-----	506,400	-----
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	-----	506,400	-----
90 Expenditures.....	-----	506,400	-----

Under existing legislation, 1965.—A supplemental appropriation of \$506.4 million is proposed to repay the Commodity Credit Corporation for (1) additional estimated costs in 1965 under title I, Sale of surplus agricultural commodities for foreign currencies, \$273 million; and (2) additional current year costs and prior year unrecovered costs under title IV, long-term supply contracts, \$233.4 million. Projections of the demands on the Corporation's \$14.5 billion borrowing power indicate that it will be exhausted during January 1965. This appropriation would help the Corporation to finance its mandatory operations during the remainder of 1965.

SPECIAL EXPORT PROGRAMS

In addition to the Foreign assistance programs described, the Commodity Credit Corporation conducts other special export programs under specific legislative authority. These are: International Wheat Agreement (7 U.S.C. 1641-1642); and Bartered materials for supplemental stockpile (7 U.S.C. 1856).

INTERNATIONAL WHEAT AGREEMENT

For expenses during fiscal year [1965] 1966 and unrecovered prior years' costs, including interest thereon, under the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641-1642), [\$31,838,000] \$27,544,000, to remain available until expended. (*Department of Agriculture and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code 05-48-2270-0-1-351	1964 actual	1965 estimate	1966 estimate
Program by activities:			
10 International Wheat Agreement (costs, funded—obligations) (object class 41.0) ..	86,218	31,838	27,544
Financing:			
40 New obligatory authority (appropriation) ..	86,218	31,838	27,544
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	86,218	31,838	27,544
90 Expenditures ..	86,218	31,838	27,544

The International Wheat Agreement Act of 1949, as amended, authorizes the President, acting through the Corporation, to make available or cause to be made available wheat and flour at such prices as are necessary to exercise the rights, obtain the benefits, and fulfill the obligations of the United States under the International Wheat Agreement which terminates July 31, 1965. The maximum and minimum prices in the current agreement are \$2.02½ and \$1.62½ per bushel, respectively, for the basic grade of wheat, No. 1, Manitoba Northern, at Fort William/Port Arthur, Canada.

The Corporation causes wheat and flour to be made available under the agreement through payments in kind to exporters of wheat and cash payments to exporters of flour. Such payments cover the difference between the export price and the cost of wheat to exporters. If the domestic market price of wheat falls below the agreement price, exporters will make commensurate refunds of payments previously received.

Appropriations are authorized to cover costs of this program. The following reflects the composition of the appropriations for 1964, 1965, and 1966 (in thousands of dollars):

	1964 actual	1965 estimate	1966 estimate
Expenses of shipments:			
Commodity Credit Corporation stocks ..	115,046	24,500	23,600
Private stocks and operating costs ..	10,069	4,393	3,944
Subtotal, expenses of shipments ..	125,115	28,893	27,544
Interest on unrecovered balance ..	668	1,063	-----
Total ..	125,783	29,956	27,544
Unrecovered 1963 costs paid from 1964 funds ..	17,273	-----	-----
Unrecovered 1964 costs brought forward ..	-56,838	56,838	-----
Total available or estimate ..	86,218	31,838	27,544
Proposed supplemental, 1965 ..	-----	54,956	-----
Appropriation or estimate ..	86,218	86,794	27,544

Proposed for separate transmittal:

INTERNATIONAL WHEAT AGREEMENT

Program and Financing (in thousands of dollars)

Identification code 05-48-2270-1-1-351	1964 actual	1965 estimate	1966 estimate
Program by activities:			
10 International Wheat Agreement (costs, funded—obligations) (object class 41) ..	-----	54,956	-----
Financing:			
40 New obligatory authority (proposed supplemental appropriation) ..	-----	54,956	-----
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	-----	54,956	-----
90 Expenditures ..	-----	54,956	-----

Under existing legislation, 1965.—A supplemental appropriation of \$54,956 thousand is proposed to repay the Commodity Credit Corporation for unreimbursed prior years' costs. Projections of the demands on the Corporation's \$14.5 billion borrowing power indicate that it will be exhausted during January 1965. This appropriation would help the Corporation to finance its mandatory operations during the remainder of 1965.

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

For expenses during fiscal year [1965] 1966 and unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to Public Law 540, Eighty-fourth Congress (7 U.S.C. 1856), [\$92,860,000] \$52,500,000, to remain available until expended. (*Department of Agriculture and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code 05-48-2275-0-1-351	1964 actual	1965 estimate	1966 estimate
Program by activities:			
10 Bartered materials for supplemental stockpile (costs, funded—obligations) (object class 41.0) ..	82,860	92,860	52,500
Financing:			
40 New obligatory authority (appropriation) ..	82,860	92,860	52,500
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	82,860	92,860	52,500
90 Expenditures ..	82,860	92,860	52,500

Under title II of the Agricultural Act of 1956 (7 U.S.C. 1856), the Commodity Credit Corporation transfers to the supplemental stockpile, strategic and other materials acquired from the barter and exchange of agricultural commodities. This does not cover those acquired for the national stockpile or for other purposes.

Appropriations are authorized for the value of materials transferred to the stockpile. This is based on the lower

FOREIGN ASSISTANCE PROGRAMS AND SPECIAL EXPORT PROGRAMS—Continued

General and special funds—Continued

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE—Con.

of cost or market value at the time of transfer. The following reflects the composition of the appropriations for 1964, 1965, and 1966 (in thousands of dollars):

	1964 actual	1965 estimate	1966 estimate
Materials transferred to supplemental stockpile.....	37,665	80,033	75,000
1963 costs paid from 1964 funds.....	35,522	-----	-----
1964 funds applied to 1965 costs.....	9,673	-9,673	-----
1965 funds not applied to program.....	-----	22,500	-----
1965 funds to be applied to 1966 costs.....	-----	-----	-22,500
Appropriation or estimate.....	82,860	92,860	52,500

CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

FEDERAL CROP INSURANCE CORPORATION

General and special funds:

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, [\$6,942,000] \$8,478,000.

["For an additional amount for "Administrative and operating expenses", \$250,000.] (7 U.S.C. 1501-1519; 31 U.S.C. 841, 846-852, 866-868c, 869; 78 Stat. 933; Department of Agriculture and Related Agencies Appropriation Act, 1965; Supplemental Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-52-2707-0-1-351	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Underwriting and actuarial analysis.....	1,151	1,340	1,356
2. Contract sales and servicing.....	4,731	4,950	5,901
3. Crop inspections and loss adjustments.....	1,047	1,188	1,221
Total program costs, funded ¹	6,929	7,478	8,478
Change in selected resources ²	14	-----	-----
10 Total obligations.....	6,943	7,478	8,478
Financing:			
16 Comparative transfer to other accounts.....	112	-----	-----
25 Unobligated balance lapsing.....	2	-----	-----
New obligational authority.....	7,057	7,478	8,478
New obligational authority:			
40 Appropriation.....	7,080	7,192	8,478
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655).....	-23	-5	-----
43 Appropriation (adjusted).....	7,057	7,187	8,478
44 Proposed supplemental due to civilian pay increases.....	-----	291	-----

Program and Financing (in thousands of dollars)—Continued

Identification code 05-52-2707-0-1-351	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
10 Total obligations.....	6,943	7,478	8,478
70 Receipts and other offsets (items 11-17).....	112	-----	-----
71 Obligations affecting expenditures.....	7,055	7,478	8,478
72 Obligated balance, start of year.....	1,837	1,758	1,737
74 Obligated balance, end of year.....	-1,758	-1,737	-1,747
90 Expenditures excluding pay increase supplemental.....	7,134	7,211	8,465
91 Expenditures from pay increase supplemental.....	-----	288	3

¹ Includes capital outlay as follows: June 30, 1964, \$41 thousand; 1965, \$41 thousand; 1966, \$56 thousand.

² Includes year end balances of unpaid undelivered orders as follows: 1963, \$42 thousand; 1964, \$56 thousand; 1965, \$56 thousand; 1966, \$56 thousand.

This appropriation finances a major portion of the administrative and operating expenses of the Corporation. The budget for insurance operations financed from capital funds appears below. An increase is proposed for 1966 to finance administrative costs related to the planned expansion in the insurance program.

Object Classification (in thousands of dollars)

Identification code 05-52-2707-0-1-351	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	3,759	4,373	4,643
11.3 Positions other than permanent.....	632	438	797
11.5 Other personnel compensation.....	61	57	63
Total personnel compensation.....	4,452	4,868	5,503
12.0 Personnel benefits.....	313	345	379
21.0 Travel and transportation of persons.....	1,040	928	1,138
22.0 Transportation of things.....	21	25	29
23.0 Rent, communications, and utilities.....	450	472	528
24.0 Printing and reproduction.....	156	167	161
25.1 Other services.....	67	78	102
25.2 Services of other agencies.....	336	481	488
26.0 Supplies and materials.....	49	54	66
31.0 Equipment.....	59	60	84
99.0 Total obligations.....	6,943	7,478	8,478

Personnel Summary

Total number of permanent positions.....	686	670	683
Full-time equivalent of other positions.....	137	94	165
Average number of all employees.....	704	711	832
Average GS grade.....	6.5	6.6	6.4
Average GS salary.....	\$6,569	\$6,962	\$6,968

Public enterprise funds:

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$3,638,000 of administrative and operating expenses may be paid from premium income: *Provided, That in the event the Federal Crop Insurance Corporation Fund is insufficient to meet indemnity payments and other charges against such Fund, such additional amounts as may be necessary may be borrowed from the Commodity Credit Corporation under such terms and conditions as the Secretary may prescribe, but repayment of such amount shall include interest at a rate not less than the cost of money to the Commodity Credit Corporation for a comparable period.* (7 U.S.C. 1516(a); 78 Stat. 933; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-52-4085-0-3-351	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Operating costs, funded:			
Indemnities, by crop:			
Apples.....	57	88	104
Barley.....	1,207	530	994
Beans.....	154	294	257
Cherries.....	162	9	62
Citrus.....	40	1,041	1,106
Combined crop.....	271	229	527
Corn.....	2,084	11,250	6,031
Cotton.....	2,451	1,723	3,621
Flax.....	544	790	586
Grain sorghum.....	427	582	729
Oats.....	290	408	605
Peaches.....	525	1,566	475
Peanuts.....	469	631	658
Peas.....	138	932	354
Potatoes.....	684	569	182
Raisins.....	1,231	90	291
Rice.....		57	81
Safflower.....		5	3
Soybeans.....	2,241	2,402	3,289
Tobacco.....	2,271	1,165	3,312
Tomatoes.....	10	13	45
Tung nuts.....			18
Wheat.....	8,200	5,977	9,770
Total indemnities.....	23,456	30,351	33,100
Inspection and adjustment costs.....	1,278	1,200	1,346
Administrative expenses.....	3,350	3,638	3,638
Other expenses and adjustments, net.....	145	274	294
10 Total program costs—obligations.....	28,229	35,463	38,378
Financing:			
Receipts and reimbursements from: Non-			
Federal sources:			
Insurance premiums, by crop:			
Apples.....	-163	-73	-116
Barley.....	-1,151	-1,021	-1,104
Beans.....	-251	-258	-285
Cherries.....	-34	-44	-69
Citrus.....	-1,145	-1,157	-1,229
Combined crop.....	-604	-558	-585
Corn.....	-5,134	-6,355	-6,701
Cotton.....	-3,510	-3,668	-4,023
Flax.....	-684	-618	-651
Grain sorghum.....	-566	-715	-810
Oats.....	-481	-585	-672
Peaches.....	-511	-454	-528
Peanuts.....	-616	-666	-731
Peas.....	-261	-354	-393
Potatoes.....	-311	-195	-202
Raisins.....	-367	-317	-323
Rice.....	-22	-65	-90
Safflower.....		-2	-3
Soybeans.....	-2,277	-3,318	-3,654
Tobacco.....	-3,676	-3,384	-3,680
Tomatoes.....	-24	-35	-50
Tung nuts.....			-20
Wheat.....	-8,625	-10,350	-10,881
14 Total premiums.....	-30,413	-34,192	-36,800
Interest and other receipts.....	-66	-75	-75
21.98 Unobligated balance available, start of year.....	-41,438	-43,689	-42,493
24.98 Unobligated balance available, end of year.....	43,689	42,493	40,990
New obligational authority.....			

Program and Financing (in thousands of dollars)—Continued

Identification code 05-52-4085-0-3-351	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
10 Total obligations.....	28,229	35,463	38,378
70 Receipts and other offsets (items 11-17).....	-30,479	-34,267	-36,875
71 Obligations affecting expenditures.....	-2,250	1,196	1,503
72.98 Obligated balance, start of year.....	84		293
74.98 Receivables in excess of obligations.....		-1,348	
Obligated balance, end of year.....		-293	-637
Receivables in excess of obligations, end of year.....	1,348		
90 Expenditures.....	-819	-445	1,159
Cash transactions:			
93 Gross expenditures.....	28,294	33,990	37,884
94 Applicable receipts.....	-29,113	-34,435	-36,725

Purpose and financial organization.—The Federal Crop Insurance Corporation, a wholly-owned Government Corporation, was created on February 16, 1938 (7 U.S.C. 1501-1519), to carry out the provisions of the Federal Crop Insurance Act. The purpose of this act is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance and providing the means for the research and experience helpful in devising and establishing such insurance. The Corporation provides all-risk insurance protection to farmers against loss from unavoidable causes. Since 1948, the crop insurance program has been conducted on a limited basis in selected counties and on selected crops to obtain adequate actuarial data for the expansion of the program to a national basis. Based on past experience, the Corporation began with the 1962 crop year, to expand the crop insurance program at a more rapid rate to additional counties and commodities.

Capital stock of \$100 million is authorized to be subscribed by the United States. As of June 30, 1964, the Secretary of the Treasury held receipts for \$40 million of the authorized stock, leaving \$60 million unissued.

Funds from the issuance of capital stock provide working capital for the Corporation. Receipts which are for deposit to this fund come mainly from premiums for insurance protection afforded farmers on their investment in the production of insured crops. The principal payments from this fund are for indemnities to insured farmers who suffer crop losses arising from causes against which crop insurance provides protection, the direct cost of adjusting losses, and part of the administrative and operating expenses. The annual appropriation for the major portion of the administrative and operating expenses of the Corporation is presented earlier in the budget.

Budget program.—For the 1965 crop year it is planned that the crop insurance program will be extended to 25 new counties. The following table indicates the scope of the insurance program planned for 1964, 1965, and 1966. Amounts in the 1964 column are actual and pertain to the 1963 crop year. The 1965 column pertains to the

FEDERAL CROP INSURANCE CORPORATION— Continued

Public enterprise funds—Continued

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

1964 crop year and reflects the current favorable growing conditions for the 1964 insured crops. Indemnities shown in the 1966 column are estimated at 90% of the estimated premium.

	1964 fiscal year (1963 crop year) actual	1965 fiscal year (1964 crop year) estimate	1966 fiscal year (1965 crop year) estimate
Number of states.....	38	36	36
Number of counties.....	1,094	1,187	1,212
Estimated insurance outstanding (in thou- sands), beginning of fiscal year.....	\$496,999	\$546,842	\$590,000
Insured acreage (thousands).....	13,085	14,808	15,937
Number of crops insured.....	418,076	447,539	472,000
Premiums (in thousands).....	\$30,413	\$34,192	\$36,800
Indemnities (in thousands).....	\$23,456	\$30,351	\$33,100
Loss ratio.....	.77	.89	.90

Financing.—Income from operations will provide adequate operating funds for 1966, unless unforeseen losses occur. Therefore, no additional Capital Funds are being requested for program operations.

However, inasmuch as the Corporation is expanding at a more rapid rate, and will have an annual premium income of approximately \$43 million by 1966, a heavy loss occurring early in the fiscal year prior to the time premiums are collected could deplete the available funds below the amount necessary to pay indemnity claims.

The Corporation is requesting authority to borrow the necessary funds if required to meet such emergencies from the Commodity Credit Corporation. The following table reflects the comparison of the working capital, and insured liability from 1961 through 1966:

COMPARISON OF INSURANCE LIABILITY TO CAPITAL, FISCAL YEARS 1961 THROUGH 1966

[Dollars in thousands]

Fiscal year	Working capital at end-of-year	Insured liability	Percent of capital to insured liability
1961 actual.....	\$48,016	\$271,709	17.7
1962 actual.....	47,591	356,553	13.3
1963 actual.....	41,438	496,999	8.3
1964 actual.....	43,689	546,842	8.0
1965 estimated.....	42,493	590,000	7.2
1966 estimated.....	40,990	693,000	5.9

Operating results and financial condition.—Preliminary estimates for crop year 1964, fiscal year 1965, indicate a favorable loss ratio for the seventh year, out of the past 8 years. Premiums of \$34.2 million are estimated to exceed indemnities by \$3.8 million. For the crop years 1948 through 1963, premium income of \$314.8 million exceeded indemnity costs of \$294 million by \$20.8 million. Premium income exceeded indemnity costs in 9 years of the 16 year period.

As of June 30, 1964, the Corporation's surplus was \$3.7 million. The favorable loss experience which occurred the past six out of seven years is responsible for the current favorable financial condition of the Corporation.

The following table summarizes the insurance operations by commodities for 1964, 1965, and 1966.

NET INCOME OR LOSS ON INSURANCE OPERATIONS, BY COMMODITIES

[Fiscal years ending June 30, 1964, 1965, and 1966—In thousands of dollars]

	1964 actual (1963 crop year)	1965 estimate (1964 crop year)	1966 estimate (1965 crop year)
Apples.....	106	—15	12
Barley.....	—56	491	110
Beans.....	97	—36	28
Cherries.....	—128	35	7
Citrus.....	1,105	116	123
Combined crop.....	333	329	58
Corn.....	3,050	—4,895	670
Cotton.....	1,059	1,945	402
Flax.....	140	—172	65
Grain sorghum.....	139	133	81
Oats.....	191	177	67
Peaches.....	—14	—1,112	53
Peanuts.....	147	35	73
Peas.....	123	—578	39
Potatoes.....	—373	—374	20
Raisins.....	—864	227	32
Rice.....	22	8	9
Safflower.....	—	—3	—
Soybeans.....	36	916	365
Tobacco.....	1,405	2,219	368
Tomatoes.....	14	22	5
Tung nuts.....	—	—	2
Wheat.....	425	4,373	1,111
Premiums over indemnities.....	6,957	3,841	3,700
Inspection and loss adjustment costs.....	—1,278	—1,200	—1,346
Administrative expenses charged to premium income.....	—3,350	—3,638	—3,638
Other income or expense, net.....	—79	—199	—219
Net income or loss.....	2,250	—1,196	—1,503

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Revenue.....	30,479	34,267	36,875
Expense.....	28,229	—35,463	—38,378
Net income or loss for the year.....	2,250	—1,196	—1,503
Analysis of retained earnings:			
Retained earnings, start of year.....	1,438	3,689	2,493
Retained earnings, end of year.....	3,689	2,493	990

Financial Condition (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Treasury balance.....	41,522	42,341	42,786	41,627
Accounts receivable, net.....	4,813	6,179	5,942	5,998
Total assets.....	46,335	48,520	48,728	47,625
Liabilities:				
Current.....	4,897	4,831	6,235	6,635
Government equity:				
Non-interest-bearing capital.....	40,000	40,000	40,000	40,000
Retained earnings.....	1,438	3,689	2,493	990
Total Government equity.....	41,438	43,689	42,493	40,990

Analysis of Government Equity (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Unobligated balance (Government equity)-----	41,438	43,689	42,493	40,990

Note.—Excludes contingent liabilities representing estimated insurance coverage on 1964, 1965, and 1966 crops in the following amounts: 1964, \$546.9 million; 1965, \$590 million; and 1966, \$693 million.

Object Classification (in thousands of dollars)

Identification code 05-52-4085-0-3-351	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions-----	56	52	58
11.3 Positions other than permanent-----	696	694	777
Total personnel compensation-----	752	746	835
12.0 Personnel benefits-----	25	27	32
21.0 Travel and transportation of persons-----	501	427	479
42.0 Insurance claims and indemnities-----	23,456	30,351	33,100
92.0 Undistributed (provision for doubtful accounts and adjustment of prior year expenses)-----	145	274	294
93.0 Administrative expenses (see separate schedule)-----	3,350	3,638	3,638
99.0 Total obligations-----	28,229	35,463	38,378

Personnel Summary

Total number of permanent positions-----	10	10	10
Full-time equivalent of other positions-----	142	133	147
Average number of all employees-----	152	142	157
Average GS grade-----	6.5	6.6	6.4
Average GS salary-----	\$6,569	\$6,962	\$6,968

ADMINISTRATIVE EXPENSES

Object Classification (in thousands of dollars)

Identification code 05-52-4085-0-3-351	1964 actual	1965 estimate	1966 estimate
11.3 Personnel compensation: Positions other than permanent-----	835	1,037	1,050
12.0 Personnel benefits-----	30	34	38
21.0 Travel and transportation of persons-----	528	632	641
25.1 Other services (advertising)-----	118	115	115
Agents and other agreements-----	1,790	1,760	1,729
25.2 Services of other agencies-----	49	60	65
93.0 Administrative expenses included in schedule for fund as a whole-----	-3,350	-3,638	-3,638
Total obligations-----			

Personnel Summary

Full-time equivalent of other positions-----	171	198	199
Average number of all employees-----	171	198	199
Average GS grade-----	6.5	6.6	6.4
Average GS salary-----	\$6,569	\$6,962	\$6,968

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedule of the parent appropriation, Funds appropriated to the President, "Economic Assistance".

RURAL ELECTRIFICATION ADMINISTRATION

General and special funds:

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

LOAN AUTHORIZATIONS

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3(a) of said Act, as follows: Rural electrification program, [\$365,000,000] \$350,000,000, of which [\$90,000,000] \$65,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the current fiscal year under the then existing conditions for the expeditious and orderly development of the rural electrification [program]; and rural telephone [program, \$70,000,000 of which \$7,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the current fiscal year under the then existing conditions for the expeditious and orderly development of the rural telephone program] programs; and rural telephone program, \$97,000,000. (Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-56-3197-0-1-353	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Rural electrification-----	245,965	270,000	277,000
2. Rural telephone-----	84,229	85,000	88,000
Total program costs, funded-----	330,194	355,000	365,000
Change in selected resources ¹ -----	21,218	42,000	32,000
10 Total obligations (object class 33.0)-----	351,412	397,000	397,000
Financing:			
17 Recovery of prior year obligations-----	-3,252	-32,270	-----
21.47 Unobligated balance available, start of year-----	-49,509	-46,349	-26,619
24.47 Unobligated balance available, end of year-----	46,349	26,619	11,619
25.47 Unobligated balance lapsing-----	150,000	90,000	65,000
47 New obligational authority (authorization to spend public debt receipts)-----	495,000	435,000	447,000
Relation of obligations to expenditures:			
10 Total obligations-----	351,412	397,000	397,000
70 Receipts and other offsets (items 11-17)-----	-3,252	-32,270	-----
71 Obligations affecting expenditures-----	348,160	364,730	397,000
72.47 Obligated balance, start of year-----	1,012,832	1,030,798	1,040,528
74.47 Obligated balance, end of year-----	-1,030,798	-1,040,528	-1,072,528
90 Expenditures-----	330,194	355,000	365,000

¹ Selected resources as of June 30 are as follows: Undisbursed loan obligations, 1963, \$1,012,832 thousand; (1964 adjustments -\$3,252 thousand); 1964, \$1,030,798 thousand; (1965 adjustments -\$32,270 thousand); 1965, \$1,040,528 thousand; 1966, \$1,072,528 thousand.

The Administration conducts two capital investment programs: (a) the rural electrification program to provide electric service to farms and other rural establishments; and (b) the rural telephone program to furnish and improve telephone service in rural areas. Funds for making repayable loans are borrowed from the Secretary of the Treasury.

1. *Rural electrification.*—This capital investment program is financed through loans which bear 2% interest

RURAL ELECTRIFICATION ADMINISTRATION— Continued

General and special funds—Continued

LOAN AUTHORIZATIONS—Continued

and must be repaid within a period not to exceed 35 years. Loans are also made for shorter periods at 2% interest to electrification borrowers to be reloaned to their consumers for the purpose of financing the wiring of premises and the acquisition and installation of electrical and plumbing appliances and equipment, including machinery.

STATUS OF THE ELECTRIFICATION PROGRAM

Program Financing

[Dollars in thousands]

	1964 actual	1965 estimate	1966 estimate
Loan funds available:			
New loan authorization:			
Regular.....	275,000	275,000	285,000
Reserve.....	150,000	90,000	165,000
Carryover from prior year.....	8,765	23,057	26,057
Rescissions of prior year loans.....	751	28,000	-----
Total loan funds available.....	434,516	416,057	376,057
Less—			
Loans approved.....	261,459	300,000	300,000
Reserve not used.....	150,000	90,000	65,000
Balance to next year.....	23,057	26,057	11,057

Program Statistics

[Dollars in thousands]

	1964 actual	1965 estimate	1966 estimate
Cumulative net loans.....	\$5,280,872	\$5,552,872	\$5,852,872
Cumulative funds advanced.....	\$4,451,823	\$4,721,823	\$4,998,823
Unadvanced funds, end of year.....	\$829,049	\$831,049	\$854,049
Cumulative principal, repaid.....	\$1,379,740	\$1,516,240	\$1,657,240
Cumulative interest paid.....	\$658,730	\$729,430	\$805,430
Cumulative miles energized (thousands).....	1,537	1,560	1,584
Cumulative consumers served (thousands).....	5,301	5,451	5,601
Number of borrowers.....	1,102	1,105	1,110

¹ The reserve authorization of \$65 million is proposed for use in either the electrification or telephone program.

2. *Rural telephone.*—This capital investment program is financed through loans which are made for the purpose of financing the improvement, expansion, construction, acquisition, and operation of the telephone lines and facilities or systems to furnish and improve telephone service in rural areas. The loans bear 2% interest and must be repaid within a period not to exceed 35 years.

In 1950, when the telephone program started, the Census of Agriculture showed 38.2% of all farms with telephone service, fewer in both number and percentage than in 1920. Approximately 79% of the farms now have telephone service. Cumulative Rural Electrification Administration loans through June 30, 1964, will eventually provide initial or improved service to an estimated 1,965 thousand rural subscribers.

STATUS OF THE TELEPHONE PROGRAM

Program Financing

[Dollars in thousands]

	1964 actual	1965 estimate	1966 estimate
Loan funds available:			
New loan authorization:			
Regular.....	70,000	63,000	97,000
Reserve.....	-----	7,000	(¹)
Carryover from prior year.....	40,744	23,292	562
Rescissions of prior year loans.....	2,501	4,270	-----
Total loan funds available.....	113,245	97,562	97,562
Less—			
Loans approved.....	89,953	97,000	97,000
Balance to next year.....	23,292	562	562

STATUS OF THE TELEPHONE PROGRAM—Continued

Program Statistics

[Dollars in thousands]

	1964 actual	1965 estimate	1966 estimate
Cumulative net loans.....	\$1,078,444	\$1,171,174	\$1,268,174
Cumulative funds advanced.....	\$876,695	\$961,695	\$1,049,695
Unadvanced funds, end of year.....	\$201,749	\$209,479	\$218,479
Cumulative principal repaid.....	\$79,464	\$99,664	\$121,564
Cumulative interest paid.....	\$66,896	\$85,096	\$105,096
Route miles of line constructed or improved, cumulative (thousands).....	354	379	404
Dial subscribers, new and improved service, cumulative (thousands).....	1,569	1,675	1,777
Number of borrowers.....	838	858	880

¹The reserve authorization (shown in the schedule for the electrification program) is proposed for use in either the electrification or telephone program.

REVENUE, EXPENSE, AND RETAINED EARNINGS

[In thousands of dollars]

	1964 actual	1965 estimate	1966 estimate
For the fiscal year:			
Lending operations:			
Interest revenue.....	75,758	79,390	83,400
Expense:			
Interest expense (statutory rates).....	74,203	77,290	81,000
Net revenue.....	1,556	2,100	2,400
Administrative expenses (provided by annual appropriations): Salaries and expenses.....	11,109	11,915	11,915
Cumulative to end of fiscal year:			
Lending operations:			
Interest revenue.....	872,668	952,058	1,035,458
Expense:			
Interest expense (statutory rates).....	807,421	884,711	965,711
Provision for possible losses on loans.....	9,090	9,090	9,090
Losses on foreclosed loans.....	44	44	44
Total expense.....	816,555	893,845	974,845
Net difference.....	56,113	58,213	60,613
Administrative expenses (provided by annual appropriations): Salaries and expenses.....	175,881	187,796	199,711

FINANCIAL CONDITION

[In thousands of dollars]

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Treasury balance.....	17,385	20,112	5,786	6,723
Cash on hand.....	1,332	288	288	288
Loans receivable, net.....	3,684,645	3,860,186	4,060,486	4,264,586
Travel advances.....	95	95	95	95
Accounts receivable:				
Interest receivable.....	151,650	147,035	137,525	124,925
Current receivable.....	8	3	3	3
Equipment, net.....	399	418	431	445
Total assets.....	3,855,514	4,028,137	4,204,614	4,397,065
Liabilities:				
Current.....	935	525	590	637
Trust and deposit.....	345	5	5	5
Total liabilities.....	1,280	530	595	642
Government equity:				
Borrowings from Treasury.....	3,656,615	3,828,421	4,002,714	4,192,699
Appropriated administrative funds, net.....	165,213	176,334	188,268	200,202
Appropriated loan funds, net.....	142,620	142,620	142,620	142,620
Net difference between income and expense.....	54,558	56,113	58,213	60,613
Administrative expenses.....	—164,772	—175,881	—187,796	—199,711
Total Government equity.....	3,854,234	4,027,607	4,204,019	4,396,423

Proposed for separate transmittal:

LOAN AUTHORIZATIONS

Program and Financing (in thousands of dollars)

Identification code 05-56-3197-1-1-353	1964 actual	1965 estimate	1966 estimate
Financing:			
14 Receipts and reimbursements from non-Federal sources.....		-168,000	-177,000
21.47 Unobligated balance available, start of year.....			-168,000
24.47 Unobligated balance available, end of year.....		168,000	
47 New obligational authority (authorization to spend public receipts).....			-345,000
Relation of obligations to expenditures:			
70 Receipts and other offsets (items 11-17).....		-168,000	-177,000
71 Obligations affecting expenditures.....		-168,000	-177,000
94 Expenditures (applicable receipts).....		-168,000	-177,000

Under proposed legislation for 1965.—To establish in 1965 a Rural Electrification Administration loan account which will reflect the net cost of the loan programs by showing it as the excess of the aggregate of the loans to be made over the current receipts on loans previously made. The account will be budgeted on a net expenditure basis. Net loan receipts are estimated to be \$168 million in 1965 and \$177 million in 1966, adjusting new obligational authority in 1966 as follows (in thousands of dollars):

Currently requested.....	447,000
Proposed revised estimate.....	102,000
Reduction in new obligational authority.....	345,000

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$150,000 for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), **[\$11,578,000] \$11,934,000.** (5 U.S.C. 511-512; 7 U.S.C. 901-924; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-56-3100-0-1-353	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Administration of rural electrification program.....	5,922	6,614	6,614
2. Administration of rural telephone program.....	5,108	5,320	5,320
Total program costs, funded ¹	11,030	11,934	11,934
Change in selected resources ²	-2		
10 Total obligations.....	11,028	11,934	11,934
Financing:			
16 Comparative transfer to other accounts.....	98		
25 Unobligated balance lapsing.....	117		
New obligational authority.....	11,243	11,934	11,934

Program and Financing (in thousands of dollars)—Continued

Identification code 05-56-3100-0-1-353	1964 actual	1965 estimate	1966 estimate
New obligational authority:			
40 Appropriation.....	11,247	11,578	11,934
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655).....	-4	-4	
43 Appropriation (adjusted).....	11,243	11,574	11,934
44 Proposed supplemental due to civilian pay increases.....		360	
Relation of obligations to expenditures:			
10 Total obligations.....	11,028	11,934	11,934
70 Receipts and other offsets (items 11-17).....	98		
71 Obligations affecting expenditures.....	11,126	11,934	11,934
72 Obligated balance, start of year.....	676	444	558
74 Obligated balance, end of year.....	-444	-558	-597
77 Adjustments in expired accounts.....	-5		
90 Expenditures, excluding pay increase supplemental.....	11,354	11,473	11,882
91 Expenditures from civilian pay increase supplemental.....		347	13

¹ Includes capital outlay as follows: June 30, 1964, \$86 thousand; 1965, \$69 thousand; 1966, \$63 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$42 thousand (1963 adjustments, -\$5 thousand); 1964, \$36 thousand; 1965, \$36 thousand; 1966, \$36 thousand.

The Administration assists electrification borrowers and potential borrowers to negotiate for adequate supplies of power on reasonable terms, and makes loans for the extension and improvement of electric and telephone services in rural areas. Business management and technical help is furnished borrowers where needed to protect the Government's loan security and to assure that construction and operation of their systems conform to approved standards and will provide continuous and reliable service.

Object Classification (in thousands of dollars)

Identification code 05-56-3100-0-1-353	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	8,731	9,556	9,600
11.3 Positions other than permanent.....	46	48	48
11.5 Other personnel compensation.....	10	11	11
Total personnel compensation.....	8,787	9,615	9,659
12.0 Personnel benefits.....	646	708	710
21.0 Travel and transportation of persons.....	1,013	1,020	1,000
22.0 Transportation of things.....	25	25	25
23.0 Rent, communications, and utilities.....	161	165	165
24.0 Printing and reproduction.....	110	115	109
25.1 Other services.....	33	35	35
25.2 Services of other agencies.....	118	130	120
26.0 Supplies and materials.....	54	56	55
31.0 Equipment.....	81	60	50
42.0 Insurance claims and indemnities.....		5	6
99.0 Total obligations.....	11,028	11,934	11,934

Personnel Summary

Total number of permanent positions.....	1,027	1,046	1,042
Full-time equivalent of other positions.....	3	3	3
Average number of all employees.....	950	976	976
Average GS grade.....	9.7	9.7	9.7
Average GS salary.....	\$9,355	\$9,879	\$9,921

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation, Funds appropriated to the President, "Economic assistance."

RURAL ELECTRIFICATION ADMINISTRATION— Continued

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-56-3997-0-4-353	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Administration of rural electrification program.....	6	5	5
2. Administration of rural telephone program.....	4	5	5
3. Area redevelopment program (Commerce).....	350	303	362
10 Total program costs, funded—obligations.....	360	313	372
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts.....	—352	—305	—364
14 Non-Federal sources (40 U.S.C. 481(c)).....	—8	—8	—8
New obligational authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	360	313	372
70 Receipts and other offsets (items 11-17).....	—360	—313	—372
71 Obligations affecting expenditures.....			
90 Expenditures.....			

Object Classification (in thousands of dollars)

11.1 Personnel compensation: Permanent positions.....	284	242	284
12.0 Personnel benefits.....	21	18	21
21.0 Travel and transportation of persons.....	47	45	59
23.0 Rent, communications, and utilities.....	1		
31.0 Equipment.....	8	8	8
99.0 Total obligations.....	360	313	372

Personnel Summary

Total number of permanent positions.....	29	22	26
Average number of all employees.....	29	22	26
Average GS grade.....	9.7	9.7	9.7
Average GS salary.....	\$9,355	\$9,879	\$9,921

FARMERS HOME ADMINISTRATION

General and special funds:

RURAL HOUSING GRANTS AND LOANS

For grants and loans for the purposes of section 504 of the Housing Act of 1949, as amended (42 U.S.C. 1474), \$10,000,000, to remain available until expended. (Additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 05-60-2099-0-1-352	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Rural housing grants and loans:			
(a) Enlargement and development loans.....	16	250	1,450
(b) Repair and improvement grants.....	4,465	2,340	10,400
2. Loans to the elderly.....	5,872	15,000	19,000
3. Building loans.....	119,875	128,000	11,000
4. Administrative expenses.....	350	500	
Total program costs, funded.....	130,578	146,090	41,850
Change in selected resources ¹	5,064	—2,390	—5,000
10 Total obligations.....	135,642	143,700	36,850
Financing:			
17 Recovery of prior year obligations.....	—981		
Unobligated balance available, start of year:			
21.40 Appropriation.....	—8,864	—4,051	—1,851
21.47 Authorization to spend public debt receipts.....	—196,900	—92,052	—100,552
Unobligated balance available, end of year:			
24.40 Appropriation.....	4,051	1,851	1
24.47 Authorization to spend public debt receipts.....	92,052	100,552	75,552
New obligational authority.....	25,000	150,000	10,000
New obligational authority:			
40 Appropriation.....	25,000		10,000
47 Authorization to spend public debt receipts.....		150,000	
Relation of obligations to expenditures:			
10 Total obligations.....	135,642	143,700	36,850
70 Receipts and other offsets (items 11-17).....	—981		
71 Obligations affecting expenditures	134,661	143,700	36,850
Obligated balance, start of year:			
72.40 Appropriation.....	65	397	390
72.47 Authorization to spend public debt receipts.....	5,426	9,177	6,794
Obligated balance, end of year:			
74.40 Appropriation.....	—397	—390	—390
74.47 Authorization to spend public debt receipts.....	—9,177	—6,794	—1,794
90 Expenditures.....	130,578	146,090	41,850

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders. 1963, \$5,491 thousand (1963 adjustment, —\$981 thousand); 1964, \$9,574 thousand; 1965, \$7,184 thousand; 1966, \$2,184 thousand.

Rural housing direct loans are authorized by title V of the Housing Act of 1949, as amended, to be made to farm and non-farmowners of real estate in rural areas, to long-term farm leaseholders, and to senior citizens who are or will be owners of land in rural areas. Loans are made only to persons unable to obtain housing credit from other sources upon reasonable terms and conditions. Direct loans to individuals are repayable in not more than 33 years and bear interest at 4%. Grants are made for minor building repair. In addition to the direct loans and grants, insured loans are made to provide housing for

domestic farm labor, and to provide rental housing for senior citizens in rural areas.

1. *Rural housing grants and loans.*—Direct farm enlargement and development loans, along with building loans, are made to farmowners on potentially adequate farms who need to develop their farms so as to increase their income sufficiently to repay the loans. Grants are made to farmowners, to owners of other real estate and long-term farm leaseholders in rural areas for such items as repairing roofs, providing sanitary facilities, providing an adequate sanitary water supply, and supplying screens. In some cases, a combination building loan and grant is made. A building loan or grant or a combination loan and grant may not exceed \$1 thousand.

2. *Loans to the elderly.*—Direct building loans are made to senior citizens for the same purposes as building loans described below, provided they own land or can buy a small tract in a rural area with loan funds.

3. *Building loans.*—Direct building loans are made to farmowners, to owners of other real estate in rural areas, and to long-term farm leaseholders to construct, improve, alter, repair, or replace dwellings and essential farm-service buildings.

Insured housing loans.—Insured loans are made through the Agricultural Credit Insurance Fund utilizing funds

furnished by private investors. Annual payments of principal and interest to lenders are fully guaranteed. The Government retains at least one-half of 1% of the interest as an insurance premium.

A. *Farm labor housing loans.*—Insured farm labor housing loans are made to farmowners or to organizations to provide modest living and related facilities for domestic farm labor. These loans are repayable in not more than 33 years and bear interest not in excess of 5%. The law provides that lenders can receive up to 4½% of the 5% interest paid by the borrower. The maximum return to lenders is currently established at 4½%.

B. *Rental housing loans for senior citizens.*—Insured loans to provide moderate-cost rental housing and related facilities for senior citizens are made to individuals, corporations, associations, trusts or partnerships. These loans are repayable in the number of years best suited to the individual case with interest at 5¼% to the borrower. The Government retains at least one-half of 1% of the interest as an insurance premium. No loan may exceed \$300 thousand.

Authority for funding rural housing grants and loan activities will expire on September 30, 1965, but extension will be proposed.

[Dollars in thousands]

	1964 actual		1965 estimate		1966 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications.....	45,298	-----	50,000	-----	50,000	-----
Direct loans and grants:						
Building loans—regular.....	13,189	124,426	14,400	126,000	900	5,000
Building loans—elderly.....	1,085	6,052	2,100	15,000	2,500	20,000
Enlargement and development loans.....	7	9	55	250	300	1,450
Repair and improvement grants.....	5,841	4,805	2,350	1,950	13,000	10,400
Financial assistance for domestic farm labor ¹	-----	-----	-----	-----	33	5,000
Revolving fund: ¹ Direct rental housing for the elderly.....	3	469	55	9,000	30	5,000
Insured loans:						
Rental housing for the elderly.....	19	698	55	5,000	155	15,000
Farm labor housing.....	8	884	30	6,000	50	10,000

¹ See separate schedule for this activity.

COLLECTIONS OF PRINCIPAL AND INTEREST

[In thousands of dollars]

	1964 actual	1965 estimate	1966 estimate
Rural housing loans.....	51,194	60,955	73,255

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-2099-0-1-352			
25.1 Other services.....	350	500	-----
33.0 Investments and loans.....	130,487	141,250	26,450
41.0 Grants, subsidies, and contributions.....	4,805	1,950	10,400
99.0 Total obligations.....	135,642	143,700	36,850

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (78 Stat. 796-798), \$5,000,000. (Additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-2004-0-1-352			
Program by activities:			
10 Financial assistance for low-rent domestic farm labor housing (costs—obligations) (object class 41.0).....	-----	-----	5,000

Program and Financing (in thousands of dollars)—Continued

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-2004-0-1-352			
Financing:			
40 New obligatory authority (appropriation).....	-----	-----	5,000
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	-----	-----	5,000
90 Expenditures.....	-----	-----	5,000

Financial assistance will be provided to public or private nonprofit organizations for low-rent housing and related facilities for domestic farm labor as authorized by the Housing Act of 1964.

Assistance, not to exceed two-thirds of the total development cost, will be provided for new structures and for rehabilitation, alteration, conversion or improvement to existing structures for dwelling use by domestic farm labor, and for new structures or repairing and remodeling existing structures for use as dining halls, community rooms or buildings, infirmaries, or other essential service facilities.

Authority for this program will expire on September 30, 1965, but extension will be proposed.

FARMERS HOME ADMINISTRATION—Continued**General and special funds—Continued****RURAL RENEWAL**

For necessary expenses, including administrative expenses, in carrying out rural renewal activities under section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended, **[\$1,200,000]** \$3,000,000, to remain available until expended. (*Department of Agriculture and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-2003-0-1-352			
Program by activities:			
1. Loans for rural renewal and demonstration projects.....		1,500	2,500
2. Technical assistance and operating expense.....	247	250	500
Total program costs, funded.....	247	1,750	3,000
Change in selected resources ¹	950	-550	-----
10 Total obligations.....	1,197	1,200	3,000
Financing:			
25 Unobligated balance lapsing.....	3		-----
40 New obligational authority (appropriation).....	1,200	1,200	3,000
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	1,197	1,200	3,000
72 Obligated balance, start of year.....		1,054	504
74 Obligated balance, end of year.....	-1,054	-504	-704
90 Expenditures.....	143	1,750	2,800

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders 1963, \$0; 1964, \$950 thousand; 1965, \$400 thousand; 1966, \$400 thousand.

This program was authorized by section 102 of the Food and Agriculture Act of 1962. Loans are made to local public agencies or groups for rural renewal development projects which are specifically related to conservation and land utilization. Each project will be an important component of the overall rural renewal plan previously developed to rebuild the economy of the designated area. To be eligible for designation as a rural renewal area, the locality must be one of chronic underemployment on farms and unemployment in the surrounding communities. The area must also be one in which agriculture or forestry contribute substantially to the economy. The 1966 request is to provide for continuation of program operation in five pilot project areas.

Program operations include selection and designation of rural renewal areas, technical assistance to local public bodies or officials, or organizations in the preparation of an economic development plan, and counsel to local agencies and groups for meeting legal requirements necessary for borrowing funds. The borrowing agency is designated by the State legislature or Governor to receive rural renewal loan funds and is vested with authority under State and local laws to borrow funds, buy and sell property, raise revenue, meet financial obligations and transact other necessary business functions.

Rural renewal loans are repayable in not more than 30 years with repayment of principal and interest deferred up to 5 years, if necessary. Loans bear interest at the average rate paid by the U.S. Treasury on obligations of similar maturity. The rate for 1965 is 3.137%. Loans in excess of \$250 thousand require approval of the Agriculture and Forestry Committees of the Congress.

Program administration.—The Farmers Home Administration has been assigned responsibility for the coordination, direction, and supervision of the rural renewal program. The principal administrative expenses are related to technical assistance, coordination of project plans and loan programs by the Farmers Home Administration. These expenses are estimated at \$223 thousand in 1965 and \$450 thousand in 1966. Administrative expenses allotted to the Economic Research Service will be \$27 thousand for 1965 and \$50 thousand for 1966.

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-2003-0-1-352			
FARMERS HOME ADMINISTRATION			
11.1 Personnel compensation: Permanent positions.....	98	129	243
12.0 Personnel benefits.....	8	10	19
21.0 Travel and transportation of persons.....	16	15	45
22.0 Transportation of things.....	2	-----	-----
23.0 Rent, communications, and utilities.....	23	5	15
24.0 Printing and reproduction.....	20	3	5
25.1 Other services.....	52	60	120
26.0 Supplies and materials.....	7	1	3
31.0 Equipment.....	8	-----	-----
33.0 Investments and loans.....	950	950	2,500
Total obligations, Farmers Home Administration.....	1,184	1,173	2,950
ALLOTMENT TO ECONOMIC RESEARCH SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	9	22	44
11.3 Positions other than permanent.....	1	3	-----
Total personnel compensation.....	10	25	44
12.0 Personnel benefits.....	1	2	3
21.0 Travel and transportation of persons.....	2	-----	3
Total obligations, Economic Research Service.....	13	27	50
99.0 Total obligations.....	1,197	1,200	3,000

Personnel Summary

FARMERS HOME ADMINISTRATION			
Total number of permanent positions.....	21	24	35
Average number of all employees.....	10	12	30
Average GS grade.....	6.8	6.8	6.8
Average GS salary.....	\$6,801	\$7,057	\$7,121
ALLOTMENT TO ECONOMIC RESEARCH SERVICE			
Average number of all employees.....	1	2	4
Average GS grade.....	8.9	9.0	9.0
Average GS salary.....	\$8,466	\$8,983	\$9,020

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921), as amended, title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1484), and the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444); **[\$39,544,000] \$44,692,000**, together with not more than \$2,250,000 of the charges collected in connection with the insurance of loans as authorized by section 309(e) of the Consolidated Farmers Home Administration Act of 1961, as amended, and section 514(b)(3) of the Housing Act of 1949, as amended: *Provided*, That, in addition, not to exceed \$500,000 of the funds available for the various programs administered by this Agency may be transferred to this appropriation for temporary field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574) to meet unusual or heavy workload increases: *Provided further*, That no part of any funds in this paragraph may be used to administer a program which makes rural housing grants pursuant to section 504 of the Housing Act of 1949, as amended. (78 Stat. 796-798; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-60-2001-0-1-352	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Administration of direct and insured loan programs (program costs, funded) ¹ -----	38,871	43,983	46,942
Change in selected resources ² -----	144	-----	-----
10 Total obligations-----	39,015	43,983	46,942
Financing:			
11 Receipts and reimbursements from administrative budget accounts:			
Advanced from the "Agricultural credit insurance fund"-----	-700	-2,250	-2,250
Advanced from "Loans, Farmers Home Administration, 1957-65"-----	-350	-500	-----
16 Comparative transfers to other accounts-----	776	-----	-----
25 Unobligated balance lapsing-----	106	-----	-----
New obligational authority-----	38,847	41,233	44,692
New obligational authority:			
40 Appropriation-----	38,926	39,544	44,692
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655)-----	-79	-11	-----
43 Appropriation (adjusted)-----	38,847	39,533	44,692
44 Proposed supplemental due to civilian pay increases-----	-----	1,700	-----
Relation of obligations to expenditures:			
10 Total obligations-----	39,015	43,983	46,942
70 Receipts and other offsets (items 11-17)-----	-274	-2,750	-2,250
71 Obligations affecting expenditures-----	38,741	41,233	44,692
72 Obligated balance, start of year-----	2,560	2,174	2,407
74 Obligated balance, end of year-----	-2,174	-2,407	-2,499
90 Expenditures excluding pay increase supplemental-----	39,127	39,350	44,550
91 Expenditures from civilian pay increase supplemental-----	-----	1,650	50
¹ Includes capital outlay as follows: 1964, \$411 thousand; 1965, \$200 thousand; 1966, \$300 thousand.			
² Selected resources as of June 30 are as follows:			
Stores-----	105	125	125
Unpaid undelivered orders-----	50	174	174
Total selected resources-----	155	299	299

These moneys are used to administer the loan programs of the Farmers Home Administration including reviewing applications, making and collecting loans, and providing technical assistance and guidance to borrowers.

Object Classification (in thousands of dollars)

Identification code 05-60-2001-0-1-352	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions-----	28,749	33,550	36,030
11.3 Positions other than permanent-----	1,199	1,200	1,150
11.5 Other personnel compensation-----	111	110	110
Total personnel compensation-----	30,059	34,860	37,290
12.0 Personnel benefits-----	2,269	2,674	2,853
21.0 Travel and transportation of persons-----	3,366	3,700	3,930
22.0 Transportation of things-----	122	110	110
23.0 Rent, communications, and utilities-----	1,724	1,739	1,839
24.0 Printing and reproduction-----	157	200	200
25.1 Other services-----	344	200	200
26.0 Supplies and materials-----	230	150	160
31.0 Equipment-----	744	350	360
99.0 Total obligations-----	39,015	43,983	46,942

Personnel Summary

Total number of permanent positions-----	4,523	4,987	5,381
Full-time equivalent of other positions-----	495	495	478
Average number of all employees-----	4,797	5,266	5,675
Average GS grade-----	6.8	6.8	6.8
Average GS salary-----	\$6,801	\$7,057	\$7,121

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments and allocations from other accounts are included in the schedules of the parent appropriations as follows:
Funds appropriated to the President, "Economic Assistance."
Agriculture, Soil Conservation Service:
"Watershed protection."
"Flood prevention."
"Resource and conservation development projects."

Public enterprise funds:

RURAL HOUSING FOR THE ELDERLY REVOLVING FUND

For loans pursuant to section 515(a) of the Housing Act of 1949, as amended (42 U.S.C. 1485), including advances pursuant to section 335(a) of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1985) in connection with security for such loans, \$5,000,000. (Department of Agriculture and Related Agencies Appropriation Act, 1965; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 05-60-4225-0-3-352	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Capital outlay, funded: Loans made for rural housing for the elderly (program costs, funded)-----	100	9,000	5,000
Changes in selected resources ¹ -----	369	-----	-----
10 Total obligations (object class 33.0)-----	469	9,000	5,000
Financing:			
14 Receipts and reimbursements from:			
Non-Federal sources:			
Loans repaid-----	-----	-2	-150
Revenue-----	-----	-10	-300
21.98 Unobligated balance available, start of year-----	-1,000	-4,031	-43

¹ Balances of selected resources are identified on the statement of financial condition.

FARMERS HOME ADMINISTRATION—Continued**Public enterprise funds—Continued****RURAL HOUSING FOR THE ELDERLY REVOLVING FUND—Continued****Program and Financing (in thousands of dollars)—Continued**

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-4225-0-3-352			
Financing—Continued			
24.98 Unobligated balance available, end of year.....	4,031	43	493
40 New obligational authority (appropriation).....	3,500	5,000	5,000
Relation of obligations to expenditures:			
10 Total obligations.....	469	9,000	5,000
70 Receipts and other offsets (items 11-17).....		-12	-450
71 Obligations affecting expenditures.....	469	8,988	4,550
72.98 Obligated balance, start of year.....		369	366
74.98 Obligated balance, end of year.....	-369	-366	-316
90 Expenditures.....	100	8,991	4,600
Cash transactions:			
93 Gross expenditures.....	100	9,000	5,000
94 Applicable receipts.....		-9	-400

This account was established pursuant to the Senior Citizens Housing Act of 1962. Loans are made under the authority of section 515(a) of title V of the Housing Act of 1949, as amended, to private nonprofit corporations and consumer cooperatives to provide modest cost rental housing and related facilities for elderly persons of low or moderate income in rural areas.

Direct loans, made from the revolving fund, are repayable in not more than 50 years and bear interest comparable to housing loans for the elderly in urban areas (currently 3¾%). Administrative expenses for this program are included under the appropriation item, Salaries and expenses, Farmers Home Administration.

Legislation for extending this program beyond September 30, 1965, will be proposed.

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Operating program:			
Revenue.....		10	300
Expense ¹		45	65
Net operating income or loss.....		-35	235
Analysis of retained earnings or deficit:			
Deficit, start of year.....			-35
Retained earnings or deficit, end of year.....		-35	200

¹ Excludes administrative expenses borne by the salaries and expenses appropriation.

Financial Condition (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Treasury balance.....	1,000	4,400	409	809
Accounts receivable, net.....			3	53
Loans receivable, net.....		100	9,053	13,838
Total assets.....	1,000	4,500	9,465	14,700
Government equity:				
Non-interest-bearing capital:				
Start of year.....		1,000	4,500	9,500
Appropriations.....	1,000	3,500	5,000	5,000
End of year.....	1,000	4,500	9,500	14,500
Retained earnings or deficit.....			-35	200
Total Government equity.....	1,000	4,500	9,465	14,700

Analysis of Government Equity (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Undisbursed loan obligations ¹		369	369	369
Unobligated balance.....	1,000	4,031	43	493
Invested capital and earnings.....		100	9,053	13,838
Total Government equity.....	1,000	4,500	9,465	14,700

¹ The changes in this item are reflected on the program and financing schedule.

Proposed for separate transmittal:

RURAL HOUSING INSURANCE FUND**Program and Financing (in thousands of dollars)**

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-3996-1-3-352			
Program by activities:			
10 Capital outlay: Loans disbursed (costs—obligations).....			200,000
Financing:			
14 Receipts and reimbursements from: Non-Federal sources: Sale of loans.....			-160,000
24.98 Unobligated balance available, end of year.....			60,000
40 New obligational authority (proposed supplemental appropriation).....			100,000
Relation of obligations to expenditures:			
10 Total obligations.....			200,000
70 Receipts and other offsets (items 11-17).....			-160,000
71 Obligations affecting expenditures.....			40,000
90 Expenditures.....			40,000
Cash transactions:			
93 Gross expenditures.....			200,000
94 Applicable receipts.....			-160,000

Under proposed legislation, 1966.—Proposed legislation would amend title V of the Housing Act of 1949 to provide for a program of insured rural housing loans. The insured loan program would be supported by the special assistance and secondary market facilities of the Federal National Mortgage Association. A \$350 million level of insured housing loans is anticipated if the insured loan program becomes operative early in 1966. Families in the lower income levels would require an estimated \$300 million annually, and an estimated \$50 million annually would be needed for other applicants. In addition to the \$200 million in loans made from the proposed new fund for later sale, it is expected that approximately \$150 million in loans from private sources will be insured annually. The Rural housing insurance fund would be used for the farm labor housing and rental housing for the elderly loans presently insured through the Agricultural credit insurance fund. Authority to insure rental housing for the elderly loans through the Agricultural credit insurance fund will expire on September 30, 1965, but extension of this program is being proposed. All of these loans would be made and serviced by the Farmers Home Administration.

DIRECT LOAN ACCOUNT

Direct loans and advances under subtitles A and B, and advances under section 335(a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921), as amended, may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans, [\$60,000,000] \$40,000,000; and operating loans, \$300,000,000, of which \$50,000,000 shall be placed in reserve to be used only to the extent required during current fiscal year under the then existing conditions for the expeditious and orderly conduct of the loan program. (*Department of Agriculture and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code 05-60-4220-0-3-352	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Operating costs, funded:			
Interest on borrowings.....	12,019	13,000	16,000
Costs incident to security for loans.....	25		
Provision for losses on current receivables.....	2,598	2,497	2,305
Total operating costs, funded.....	14,642	15,497	18,305
Capital outlay, funded:			
Real estate loans:			
Farm ownership loans.....	35,900	55,000	19,000
Soil and water loans.....	12,173	15,000	30,000
Total real estate loans.....	48,073	70,000	49,000
Operating loans.....	297,944	300,000	300,000
Judgments and collateral acquired.....	197	59	61
Total capital outlay.....	346,213	370,059	349,061
Total program costs, funded.....	360,855	385,556	367,366
Change in selected resources ¹	7,662	-10,000	-9,000
10 Total obligations.....	368,517	375,556	358,366
Financing:			
14 Receipts and reimbursables from non-Federal sources:			
Repayments on loans.....	-261,965	-292,717	-301,690
Proceeds from sale of acquired property.....	-102	-150	-200
Payments of judgments.....	-211	-200	-215
Interest revenue.....	-44,834	-47,485	-50,444
Other revenue.....	-22	-10	-12

Program and Financing (in thousands of dollars)—Continued

Identification code 05-60-4220-0-3-352	1964 actual	1965 estimate	1966 estimate
Financing—Continued			
21.93 Unobligated balance available, start of year.....	-205,591	-144,207	-109,213
24.93 Unobligated balance available, end of year.....	144,207	109,213	103,408
New obligational authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	368,517	375,556	358,366
70 Receipts and other offsets (items 11-17).....	-307,133	-340,562	-352,561
71 Obligations affecting expenditures.....	61,384	34,994	5,805
72.98 Start of year:			
Obligated balance.....		652	
Receivables in excess of obligations.....	-4,603		-11,990
74.98 End of year:			
Obligated balance.....	-652		
Receivables in excess of obligations.....		11,990	23,902
90 Expenditures.....	56,129	47,636	17,717
Cash transactions:			
93 Gross expenditures.....	360,849	385,556	367,366
94 Applicable receipts.....	-304,720	-337,920	-349,649

¹ Balances of selected resources are identified on the statement of financial condition.

Direct loan account.—This account was established on October 16, 1961, pursuant to section 338(c) of the Consolidated Farmers Home Administration Act of 1961. Real estate and operating loans are made under the authorities of subtitle A and B of the act to farmers and ranchers and to associations unable to obtain credit from other sources at reasonable rates. Loans made under these and similar prior authorities are reported and accounted for in this account. In 1965, the total available for loans, including a \$50 million reserve for operating loans, is \$360 million. In 1966, it is proposed to carry out the estimated loan program of \$340 million through utilization of receipts to the Direct loan account representing collections on loans outstanding. No new borrowing authorization is estimated for 1966.

In addition to the direct loans, farm ownership and soil and water loans advanced by private lenders will be insured within the annual statutory insurance authority of \$200 million for these purposes. Legislation is being proposed to increase this insured loan authority to \$300 million. Contingent liabilities for these insured loans are reflected in the Agricultural credit insurance fund schedules.

*Real estate loans—*a. *Farm ownership loans.*—Direct and insured loans are made to farmers and ranchers for acquiring, enlarging, or improving farms, including farm buildings; for financing land and water development, use and conservation including recreational uses and facilities; for forestry development; for refinancing existing indebtedness; and for loan closing costs. Loans are confined to farms which are not larger than family farms. A loan cannot exceed \$60 thousand in any case. In addition, the indebtedness against a farm or other security, including the amount of the loan, cannot exceed \$60 thousand or the normal value of the farm and any additional security.

FARMERS HOME ADMINISTRATION—Continued**Public enterprise funds—Continued****DIRECT LOAN ACCOUNT—Continued****FARM OWNERSHIP LOANS**

(Dollars in thousands)

	1964 actual		1965 estimate		1966 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications...	38,604		40,000		40,000	
Direct loans.....	2,941	\$39,881	2,600	\$45,000	700	\$10,000
Insured loans.....	10,617	166,400	9,230	155,000	9,230	155,000
Proposed legislation....					4,100	70,000

b. *Soil and water loans.*—Direct and insured loans are made to farmers and ranchers and to associations for the effective development and utilization of water supplies and for the improvement of farmland by soil and water conserving facilities and practices. Loans to associations also are made for shifts in land use including the development of recreational facilities. There is no limitation on the size of farms that may be improved with loans to individual farmers. For loans to individuals, a loan cannot exceed \$60 thousand in any case; in addition the indebtedness against a farm or other security, including the amount of the loan, cannot exceed \$60 thousand or the normal value of the farm and any additional security. For loans to associations, the unpaid principal indebtedness is limited to \$500 thousand in the case of a direct loan and \$1 million in the case of an insured loan.

SOIL AND WATER LOANS

(Dollars in thousands)

	1964 actual		1965 estimate		1966 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications...	3,216		5,000		5,000	
Direct loans:						
To individuals.....	389	\$1,053	500	\$1,250	800	\$2,000
To associations.....	132	13,947	135	13,750	300	28,000
Insured loans:						
To individuals.....	511	3,349	650	4,000	650	4,000
To associations.....	229	30,221	320	41,000	320	41,000
Proposed legislation....					70	5,000

Farm ownership and soil and water loans are repayable in not more than 40 years and bear interest not in excess of 5%. Insured loans are made through the Agricultural credit insurance fund with funds advanced by private lenders. Annual payments of principal and interest to lenders are fully guaranteed. The law provides that lenders can receive up to 4½% interest of the 5% paid by the borrower. The maximum return to lenders is currently established at 4½%. The Government retains at least one-half of 1% of the interest as an insurance premium. The Administration services these insured loans, makes collections, and pays the lender.

Operating loans.—Direct loans are made to farmers and ranchers for paying costs incident to reorganizing a farming system for more profitable operations; for a variety of essential farm operating expenses such as the purchase of livestock, farm equipment, feed, seed, fertilizer and farm supplies; for financing land and water development, use and conservation including recreational uses and facilities; for refinancing indebtedness; for other farm and home needs; and for loan closing costs. Loans are confined to operators of not-larger-than-family farms. The outstanding principal loan balance for operating loans is limited to \$35 thousand. Loans bear interest at 5% and may be made for periods up to 7 years, but may be re-

newed for not more than 5 additional years. Loans are secured by crop and chattel liens and, when necessary, by real estate mortgages.

FARM OPERATING LOANS

	1964 actual	1965 estimate	1966 estimate
Number of applications.....	105,498	115,000	115,000
Number of loans.....	76,611	77,775	77,775
Amount of loans (thousands of dollars)...	\$300,000	\$300,000	\$300,000

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Operating program:			
Revenue.....	44,856	47,495	50,456
Expense.....	27,055	28,408	30,929
Net operating income.....	17,801	19,087	19,527
Nonoperating income or loss:			
Proceeds from sale of acquired property:			
Cash.....	100	150	200
Loans receivable.....	433	300	300
Total proceeds from sale.....	533	450	500
Net book value of assets sold.....	—543	—460	—510
Net nonoperating loss.....	—10	—10	—10
Net income for the year.....	17,791	19,077	19,517
Analysis of retained earnings: start of year.....	25,648	43,439	62,516
Retained earnings, end of year.....	43,439	62,516	82,033

Financial Condition (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Treasury balance.....	200,988	144,859	97,223	79,506
Accounts receivable, net.....	31,047	33,460	36,102	39,014
Loans receivable, net.....	846,639	918,136	982,250	1,016,669
Property acquired through foreclosure.....	399	399	339	229
Land and improvements.....	92	86	86	86
Judgments, net.....	529	551	568	581
Total assets.....	1,079,694	1,097,491	1,116,568	1,136,085
Liabilities:				
Current.....	8	14	14	14
Government equity:				
Interest-bearing capital: Start of year.....	597,959	597,959	597,959	597,959
End of year.....	597,959	597,959	597,959	597,959
Non-interest-bearing capital.....	456,079	456,079	456,079	456,079
Retained earnings.....	25,648	43,439	62,516	82,033
Total Government equity.....	1,079,686	1,097,477	1,116,554	1,136,071

Analysis of Government Equity (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Undisbursed loan obligations ¹	26,436	34,097	24,097	15,097
Undisbursed obligations to pay costs chargeable to borrowers ¹		1	1	1
Unobligated balance.....	205,591	144,207	109,213	103,408
Invested capital and earnings.....	847,659	919,171	983,243	1,017,565
Total Government equity.....	1,079,686	1,097,477	1,116,554	1,136,071

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-4220-0-3-352			
33.0 Investments and loans.....	356,498	362,556	342,366
43.0 Interest and dividends.....	12,019	13,000	16,000
99.0 Total obligations.....	368,517	375,556	358,366

EMERGENCY CREDIT REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-4104-0-3-352			
Program by activities:			
Operating costs, funded:			
1. Administrative expenses.....	4,205	4,320	4,320
2. Interest and other expenses.....	296	413	396
Total operating costs, funded.....	4,501	4,733	4,716
Capital outlay, funded:			
3. Loans made: Emergency loans.....	50,646	64,000	64,000
4. Judgments and collateral acquired.....	19	13	23
Total capital outlay, funded.....	50,665	64,013	64,023
Total program costs, funded.....	55,166	68,746	68,739
Change in selected resources ¹	-479		
10 Total obligations.....	54,688	68,746	68,739
Financing:			
14 Receipts and reimbursements from non-Federal sources:			
Repayments on loans.....	-62,115	-49,139	-60,569
Proceeds from sale of acquired property.....	-19		
Payments on judgments.....	-49	-50	-50
Revenue.....	-2,245	-1,992	-2,357
21.98 Unobligated balance available, start of year.....	-39,447	-49,188	-31,623
24.98 Unobligated balance available, end of year.....	49,188	31,623	25,860
New obligational authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	54,688	68,746	68,739
70 Receipts and other offsets (items 11-17).....	-64,428	-51,181	-62,976
71 Obligations affecting expenditures.....	-9,741	17,565	5,763
72.98 Receivables in excess of obligations, start of year.....	-2,205	-2,807	-2,921
74.98 Receivable in excess of obligations, end of year.....	2,807	2,921	3,021
90 Expenditures.....	-9,138	17,679	5,863
Cash transactions:			
93 Gross expenditures.....	55,274	68,746	68,739
94 Applicable receipts.....	-64,412	-51,067	-62,876

¹ Balances of selected resources are identified on the statement of financial condition.

This fund is authorized by subtitle C of the Consolidated Farmers Home Administration Act of 1961, to finance emergency loans in areas where agricultural credit is not readily available because of natural disasters. Loans are generally confined to areas designated as emergency areas.

Loans may be made outside of such areas to eligible applicants who have suffered severe production losses not general to the area. Loans also may be made to previously indebted borrowers to permit orderly repayment of such indebtedness.

Loans—(a) Emergency loans.—Emergency loans are made at 3% interest to eligible farmers, ranchers, or oyster planters and to domestic corporations or partnerships engaged primarily in farming, ranching, or oyster planting. Loans are made for any authorized purposes for which operating, farm ownership, or soil and water loans may be made by the Farmers Home Administration.

(b) Other loans.—Where necessary to protect the Government's investment, obligations are incurred in connection with outstanding loans to provide for payment of such costs as taxes and insurance. Such advances are charged to the borrowers' accounts.

Administrative expenses.—The principal administrative expenses are related to the loan programs of the Farmers Home Administration. These expenses are estimated at \$4.3 million in 1965 and 1966. Administrative expenses for the Office of the General Counsel are estimated at \$22 thousand in 1965 and 1966.

Financing the program.—No new budgetary authorization is required for 1966. A net loss of \$4.4 million is estimated on an accrual basis. Expenditures are estimated to exceed receipts by \$5.9 million on a cash basis due primarily to excess loans made over receipts during the year. During 1966, the program will be wholly financed by receipts from operations of the revolving fund.

Operating results and financial condition.—Revenue for 1966, consisting principally of interest on loans, is estimated at \$2.4 million, compared to expenses of \$6.8 million, resulting in an estimated loss of \$4.4 million. A net loss of \$4.8 million is estimated for 1965, and a net loss of \$3.9 million resulted in 1964.

Loans receivable, after allowance for losses, are expected to amount to \$75.6 million on June 30, 1966, as compared to \$74.3 million on June 30, 1965, and \$61.6 million on June 30, 1964.

The Government investment at June 30, 1966, is expected to be \$102.8 million consisting of \$205.8 million appropriated and donated, less a deficit of \$103 million.

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Operating program:			
Revenue.....	2,245	1,992	2,357
Expense.....	-6,141	-6,805	-6,787
Net operating loss.....	-3,896	-4,813	-4,430
Nonoperating profit or loss:			
Proceeds for sale of collateral:			
Cash.....	19		
Loans receivable.....	19		
Total proceeds from sale of collateral.....	38		
Net book value of assets sold.....	-37		
Net nonoperating income.....	1		
Net loss for the year.....	-3,895	-4,813	-4,430
Analysis of deficit:			
Deficit, start of year.....	-89,920	-93,816	-98,629
Deficit, end of year.....	-93,816	-98,629	-103,059

FARMERS HOME ADMINISTRATION—Continued**Public enterprise funds—Continued****EMERGENCY CREDIT REVOLVING FUND—Continued****Financial Condition (in thousands of dollars)**

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Treasury balance.....	37,243	46,381	28,702	22,839
Accounts receivable, net.....	3,627	3,643	3,757	3,857
Loans receivable, net.....	74,773	61,628	74,326	75,596
Acquired security or collateral.....	349	329	379	429
Judgments, net.....	195	202	206	219
Total assets.....	116,186	112,184	107,370	102,940
Liabilities:				
Current.....	249	141	141	141
Government equity:				
Non-interest-bearing capital.....	205,858	205,858	205,858	205,858
Deficit.....	-89,920	-93,816	-98,629	-103,059
Total Government equity....	115,938	112,043	107,229	102,799

Analysis of Government Equity (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Undisbursed loan obligations ¹	1,173	695	695	695
Unobligated balance.....	39,447	49,188	31,623	25,860
Invested capital and earnings.....	75,317	62,160	74,911	76,244
Total Government equity....	115,938	112,043	107,229	102,799

¹ The changes in this item are reflected on the program and financing schedule.**Object Classification (in thousands of dollars)**

Identification code 05-60-4104-0-3-352	1964 actual	1965 estimate	1966 estimate
FARMERS HOME ADMINISTRATION			
Personnel compensation:			
11.1 Permanent positions.....	3,618	3,754	3,754
11.3 Positions other than permanent.....	15	15	15
11.5 Other personnel compensation.....	6	6	6
Total personnel compensation.....	3,639	3,775	3,775
12.0 Personnel benefits.....	279	288	288
21.0 Travel and transportation of persons.....	259	230	230
24.0 Printing and reproduction.....	7	4	4
25.1 Other services.....	1	1	1
33.0 Investments and loans.....	50,187	64,013	64,023
92.0 Undistributed: Provision for losses on current receivables, etc.....	296	413	396
Total obligations, Farmers Home Administration.....	54,668	68,724	68,717
ALLOTMENT TO OFFICE OF THE GENERAL COUNSEL			
11.1 Personnel compensation: Permanent positions.....	19	20	20
12.0 Personnel benefits.....	1	2	2
Total obligations, Office of the General Counsel.....	20	22	22
99.0 Total obligations.....	54,688	68,746	68,739

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
FARMERS HOME ADMINISTRATION			
Total number of permanent positions.....	580	560	560
Full-time equivalent of other positions.....	3	3	3
Average number of all employees.....	576	556	556
Average GS grade.....	6.8	6.8	6.8
Average GS salary.....	\$6,801	\$7,057	\$7,121
ALLOTMENT TO OFFICE OF THE GENERAL COUNSEL			
Total number of permanent positions.....	2	2	2
Average number of all employees.....	2	2	2
Average GS grade.....	9.2	9.2	9.0
Average GS salary.....	\$9,228	\$9,851	\$9,712

AGRICULTURAL CREDIT INSURANCE FUND

(Permanent, indefinite)

Program and Financing (in thousands of dollars)

Identification code 05-60-4140-0-3-352	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Capital outlay, funded:			
Loans made:			
For payment of delinquent installments.....	3,743	4,000	4,000
Advances on behalf of borrowers.....	703	500	500
From fund for later sale.....	122,470	147,652	153,193
Purchase of loans from lenders.....	49,060	54,000	63,800
Disbursement of loan repayments to note holders.....	40,020	63,500	87,198
Collateral acquired by default.....	18	26	32
Judgments.....	1	1	10
Total capital outlay, funded.....	216,014	269,679	308,733
Operating costs, funded:			
Administrative expenses.....	700	2,250	2,250
Interest on borrowings.....	2,296	2,400	3,400
Other expense.....	358	590	837
Total operating costs, funded.....	3,354	5,240	6,487
Total program cost, funded.....	219,368	274,919	315,220
Change in selected resources ¹	1,168	-3,227	1,232
10 Total obligations.....	220,536	271,692	316,452
Financing:			
14 Receipts and reimbursements from non-Federal sources:			
Repayments on advances.....	-3,381	-3,600	-3,700
Repayments on loans held.....	-6,367	-5,000	-4,000
Sale of loans.....	-118,675	-210,230	-223,030
Loan repayments received on behalf of note holders.....	-40,020	-63,500	-87,198
Proceeds from sale of acquired real estate.....	-146	-150	-200
Payments on judgments.....	-4,229	-6	-20
Insurance premiums.....	-2,555	-5,900	-7,400
Interest revenue.....	-2,555	-1,700	-1,400
Fees and other revenues.....	-5	-20	-20
25.47 Unobligated balance lapsing (net repayment of borrowings from Treasury).....		18,414	10,516
67 New obligational authority (authorization to spend public debt receipts) (permanent indefinite).....	45,156		

Program and Financing (in thousands of dollars)—Continued

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-4140-0-3-352			
Relation of obligations to expenditures:			
10 Total obligations.....	220,536	271,692	316,452
70 Receipts and other offsets (items 11-17).....	-175,379	-290,106	-326,968
71 Obligations affecting expenditures.....	45,157	-18,414	-10,516
Obligated balance, start of year:			
72.98 Fund balance.....	3,138	3,577	2,931
72.47 Authorization to spend public debt receipts.....	998	3,254	815
Obligated balance, end of year:			
74.98 Fund balance.....	-3,577	-2,931	-2,931
74.47 Authorization to spend public debt receipts.....	-3,254	-815	-2,145
90 Expenditures.....	42,461	-15,329	-11,846
Cash transactions:			
93 Gross expenditures.....	218,167	274,389	314,470
94 Applicable receipts.....	-175,706	-289,718	-326,316

¹ Balances of selected resources are identified on the statement of financial condition.

This fund is used to insure farm ownership loans, soil and water loans, farm labor housing loans and loans for rental housing for the elderly, as authorized by subtitle A of the Consolidated Farmers Home Administration Act of 1961, and sections 514 and 515(b) of title V of the Housing Act of 1949. The insurance endorsement on each insured loan includes an agreement by the Government to purchase the loan after a specified initial period of not less than 3 years, at the holder's option. The initial fund of \$1 million is supplemented by loan insurance charges collected from insured loan borrowers and by borrowing from the Secretary of the Treasury. A portion of such loan insurance charges equal to at least one-half of 1% of the outstanding principal obligations must be deposited to the fund to cover losses. The remainder of such charges may be used for administrative expenses. Loans other than farm labor housing loans may be made directly from the fund from available receipts or borrowings from the Treasury for the purpose of acquiring blocks of loans if there is reasonable assurance that the loans can be sold to investors without undue delay. With respect to loans made from this fund, not more than \$25 million for farm ownership and soil and water loans and not more than \$10 million for loans for rental housing for the elderly may be held in the fund at any one time. Interest paid the Secretary of the Treasury on borrowings is based on the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the notes issued for borrowings from the Treasury for operation of the fund.

Budget program.—Capital outlay is estimated at \$308.7 million in 1966, an increase of \$39 million over 1965 and an increase of \$92.7 million over 1964. Included in capital outlay is \$147.7 million in 1965 and \$153.2 million in 1966 for making loans from the fund which will later be sold on an insured basis. The increase in 1965 and 1966 in sale of loans from the fund is expected to result from the relatively favorable market for insured loans. Insured loans outstanding which are contingent liabilities against the insurance fund are expected to increase from \$578.3 million on June 30, 1964, to approximately \$788 million at June 30, 1965, and to \$968 million by June 30, 1966.

Financing.—Net repayments to the Treasury in 1966 are estimated at \$11.8 million and in 1965 at \$16 million.

Operating results and retained earnings.—Total revenue, consisting principally of loan insurance charges is estimated at \$8.8 million in 1966, an increase of about \$1.2 million from 1965.

Outstanding loans receivable of \$72.4 million are estimated at June 30, 1966. Retained earnings, available to cover future losses, are estimated to be \$20.7 million at the end of 1966. These earnings, when added to the \$1 million appropriation and estimated borrowings of \$52.8 million from the Treasury, represent a \$74.5 million Government investment.

Legislation will be proposed for establishing a Rural housing insurance fund which will be used to insure the farm labor housing and rental housing for the elderly loans presently insured through this fund.

POSITION WITH RESPECT TO INSURANCE AUTHORITIES

[In thousands of dollars]

	1964 actual	1965 estimate	1966 estimate
Farm ownership and soil and water loans:			
Annual insurance authority.....	200,000	200,000	200,000
Charges against insurance authority during the year:			
Loans insured.....	171,589	195,600	195,600
Commitments to insure pending advances by lenders.....	28,382	4,400	4,400
Total charges against authority.....	199,971	200,000	200,000
Unused insurance authority.....	29	-----	-----
Farm labor housing loans:			
Annual insurance authority.....	25,000	25,000	25,000
Charges against insurance authority during the year:			
Loans insured.....	689	5,805	9,805
Commitments to insure pending advances by lenders.....	195	195	195
Total charges against authority.....	884	6,000	10,000
Unused insurance authority.....	24,116	19,000	15,000
Rental housing for senior citizens:			
Loans insured.....	291	4,600	14,600
Commitments to insure pending advances by lenders.....	407	400	400
Total loans.....	698	5,000	15,000

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Operating program:			
Revenue.....	6,789	7,620	8,820
Expense.....	3,414	5,280	6,597
Net operating income.....	3,375	2,340	2,223
Nonoperating income or loss:			
Proceeds from sale of acquired property:			
Cash sales.....	146	150	200
Exchanged for loans receivable.....	127	125	200
Total proceeds from sale of acquired property.....	273	275	400
Net book value of assets sold.....	-296	-300	-450
Net nonoperating loss.....	-23	-25	-50
Net income for the year.....	3,352	2,315	2,173
Analysis of retained earnings, start of year.....	12,886	16,238	18,553
Retained earnings, end of year.....	16,238	18,553	20,726

FARMERS HOME ADMINISTRATION—Continued**Public enterprise funds—Continued****AGRICULTURAL CREDIT INSURANCE FUND—Continued**

(Permanent, indefinite)—Continued

Financial Condition (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Treasury balance.....	3,138	3,577	2,931	2,931
Accounts receivable, net.....	4,893	4,566	4,954	5,606
Loans receivable, net.....	47,334	94,700	81,858	72,368
Judgments.....	16	23	23	63
Property acquired through fore- closure.....	371	339	309	184
Total assets.....	55,752	103,205	90,075	81,152
Liabilities:				
Current.....	4,121	5,322	5,852	6,602
Government equity:				
Interest-bearing capital:				
Start of year.....	23,420	37,745	80,645	64,670
Borrowings from Treasury, net.....	14,325	42,900	-15,975	-11,846
End of year.....	37,745	80,645	64,670	52,824
Non-interest-bearing capital.....	1,000	1,000	1,000	1,000
Retained earnings.....	12,886	16,238	18,553	20,726
Total Government equity....	51,631	97,883	84,223	74,550

Analysis of Government Equity (in thousands of dollars)

Undisbursed loan obligations ¹	4,883	6,075	2,848	4,080
Undisbursed obligations to pay reasonable loan costs.....	24			
Invested capital and earnings.....	47,721	95,062	82,190	72,615
Subtotal.....	52,629	101,137	85,038	76,695
Less undrawn authorizations.....	998	3,254	815	2,145
Total Government equity....	51,631	97,883	84,223	74,550

Object Classification (in thousands of dollars)

Identification code 05-60-4140-0-3-352	1964 actual	1965 estimate	1966 estimate
25.1 Other services.....	1,058	2,840	3,087
33.0 Investments and loans.....	217,182	266,452	309,965
43.0 Interest and dividends.....	2,296	2,400	3,400
99.0 Total obligations.....	220,536	271,692	316,452

Note.—This statement excludes contingent liabilities for insured loans in principal amounts at June 30, 1964, \$578,284 thousand; at June 30, 1965, \$787,862 thousand; and \$967,699 thousand, at June 30, 1966.

¹ The changes in these items are reflected on the program and financing schedule.

Proposed for separate transmittal:

AGRICULTURAL CREDIT INSURANCE FUND**Program and Financing (in thousands of dollars)**

Identification code 05-60-4140-1-3-352	1964 actual	1965 estimate	1966 estimate
Program by activities:			
10 Capital outlay, funded:			
Loans disbursed (costs—obligations).....			75,000
Financing:			
14 Revenue and other receipts:			
Sale of loans.....			-75,000
New obligatory authority.....			

Program and Financing (in thousands of dollars)—Continued

Identification code 05-60-4140-1-3-352	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
10 Total obligations.....			75,000
70 Receipts and other offsets (items 11-17).....			-75,000
71 Obligations affecting expenditures.....			
Cash transactions:			
93 Gross expenditures.....			75,000
94 Applicable receipts.....			-75,000

Under proposed legislation, 1965.—Legislation will be proposed to increase from \$200 million to \$300 million the real estate loans that may be insured annually under the Agricultural credit insurance fund. For 1966, only \$75 million of the increase will be used.

Intragovernmental funds:**ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

Identification code 05-60-3998-0-4-352	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Miscellaneous services to other accounts.....	81	200	200
2. Area redevelopment program (Com- merce).....	347	315	357
Total program costs, funded.....	428	515	557
Change in selected resources ¹.....	-1		
10 Total obligations.....	427	515	557
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts.....	-424	-505	-547
14 Non-Federal sources (40 U.S.C. 481(c)).....	-3	-10	-10
New obligatory authority.....			

Relation of obligations to expenditures:			
10 Total obligations.....	427	515	557
70 Receipts and other offsets (items 11-17).....	-427	-515	-557
71 Total obligations (affecting expenditures).....			
90 Expenditures.....			

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$1 thousand; 1964, \$0; 1965, \$0.

Object Classification (in thousands of dollars)

Identification code 05-60-3998-0-4-352	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	389	454	482
11.5 Other personnel compensation.....		1	1
Total personnel compensation.....	389	455	483
12.0 Personnel benefits.....	29	35	37
21.0 Travel and transportation of persons.....	5	9	21
22.0 Transportation of things.....	2	1	1
23.0 Rent, communications, and utilities.....		10	10
31.0 Equipment.....	2	5	5
99.0 Total obligations.....	427	515	557

Personnel Summary

Total number of permanent positions.....	46	50	52
Average number of all employees.....	46	50	52
Average GS grade.....	6.8	6.8	6.8
Average GS salary.....	\$6,801	\$7,057	\$7,121

[OFFICE OF RURAL AREAS DEVELOPMENT] **RURAL COMMUNITY DEVELOPMENT SERVICE**

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the [Office of Rural Areas Development] *Rural Community Development Service* in providing leadership, coordination, liaison, and related services in the rural areas development activities of the Department, **[\$124,000] \$750,000: Provided**, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$3,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a). (*Department of Agriculture and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code 05-64-0800-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Program coordination and direction (program costs, funded) ¹ -----	134	132	750
Change in selected resources ² -----	-15		
10 Total obligations-----	119	132	750
Financing:			
New obligational authority-----	119	132	750
New obligational authority:			
40 Appropriation-----	120	124	750
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 436 and 78 Stat. 655)-----	-1	-1	
43 Appropriation (adjusted)-----	119	123	750
44 Proposed supplemental due to civilian pay increases-----		9	
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures)-----	119	132	750
72 Obligated balance, start of year-----		9	10
74 Obligated balance, end of year-----	-9	-10	-38
90 Expenditures excluding pay increase supplemental-----	110	123	721
91 Expenditures from civilian pay increase supplemental-----		8	1

¹ Includes capital outlays as follows: 1964, \$0; 1965, \$0; 1966, \$10 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$16 thousand; 1964, \$1 thousand; 1965, \$1 thousand; 1966, \$1 thousand.

The Service will provide leadership, coordination, liaison, and related services in the Rural community development activities of the Department of Agriculture. It will utilize the resources of Department agencies in assisting State, Federal, local, private, community, and farm organizations and individuals working for the improvement of economic conditions in rural communities.

Object Classification (in thousands of dollars)

Identification code 05-64-0800-0-1-355	1964 actual	1965 estimate	1966 estimate
11.1 Personnel compensation: Permanent positions-----	93	114	516
12.0 Personnel benefits-----	7	9	39
21.0 Travel and transportation of persons-----	10	8	95
22.0 Transportation of things-----			4
23.0 Rent, communications, and utilities-----	5		44
24.0 Printing and reproduction-----			6
25.1 Other services-----	1		8
25.2 Services of other agencies-----	2		8
26.0 Supplies and materials-----	1	1	11

Object Classification (in thousands of dollars)—Continued

Identification code 05-64-0800-0-1-355	1964 actual	1965 estimate	1966 estimate
31.0 Equipment-----			19
99.0 Total obligations-----	119	132	750

Personnel Summary

Total number of permanent positions-----	8	8	53
Average number of all employees-----	8	8	50
Average GS grade-----	10.6	10.5	9.4
Average GS salary-----	\$10,931	\$11,536	\$10,502

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation. Funds appropriated to the President, "Public works acceleration."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-64-3995-0-4-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
For carrying out responsibilities and authorities delegated under Area Redevelopment Act (Department of Commerce) (program costs, funded) ¹ -----	373	398	378
Change in selected resources ² -----	-9		
10 Total obligations-----	364	398	378
Financing:			
11 Receipts and reimbursements from: Administrative budget accounts-----	-364	-398	-378
New obligational authority -----			
Relation of obligations to expenditures:			
10 Total obligations-----	364	398	378
70 Receipts and other offsets (items 11-17)-----	-364	-398	-378
71 Obligations affecting expenditures-----			
90 Expenditures-----			

¹ Includes capital outlay as follows: 1964, \$18 thousand; 1965, \$0; 1966, \$6 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$7 thousand (1964 adjustments, \$3 thousand); 1964, \$1 thousand; 1965, \$1 thousand; 1966, \$1 thousand.

Object Classification (in thousands of dollars)

Personnel compensation:			
11.1 Permanent positions-----	269	298	255
11.3 Positions other than permanent-----	8	8	8
11.4 Special personal service payments-----	14		
Total personnel compensation-----	291	306	263
12.0 Personnel benefits-----	20	23	20
21.0 Travel and transportation of persons-----	40	43	53
23.0 Rent, communications, and utilities-----	5	6	15
24.0 Printing and reproduction-----	3	2	2
25.1 Other services-----	1	2	2
25.2 Services of other agencies-----	1	15	13
26.0 Supplies and materials-----	3	1	4
31.0 Equipment-----			6
99.0 Total obligations-----	364	398	378

[OFFICE OF RURAL AREAS DEVELOPMENT] RURAL COMMUNITY DEVELOPMENT SERVICE—Continued

Intragovernmental funds—Continued

ADVANCES AND REIMBURSEMENTS—Continued

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
Total number of permanent positions.....	28	28	24
Full-time equivalent of other positions.....	1	1	1
Average number of all employees.....	27	28	25
Average GS grade.....	10.6	10.5	9.4
Average GS salary.....	\$10,931	\$11,536	\$10,502

ADVANCES AND REIMBURSEMENTS, AGRICULTURE

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-64-3900-0-4-355			
Program by activities:			
10 For carrying out responsibilities and authorities delegated under Area Redevelopment Act (Department of Commerce) (costs—obligations) (object class 25.2).....	1,701	1,472	1,340
Financing:			
11 Receipts and reimbursements from: Administrative budget accounts.....	-1,701	-1,472	-1,340
New obligational authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	1,701	1,472	1,340
70 Receipts and other offsets (items 11-17).....	-1,701	-1,472	-1,340
71 Obligations affecting expenditures.....			
72.98 Obligated balance, start of year.....	390	309	103
74.98 Obligated balance, end of year.....	-309	-103	-107
77 Adjustments in expired accounts.....	-5		
90 Expenditures.....	77	206	-4

The preceding schedule reflects expenditures out of the Consolidated working fund, Department of Agriculture. Advances are received from the Department of Commerce, Area Redevelopment Administration, to carry out continuing operations as well as special technical assistance projects. Funds are received into this account as an administrative convenience and are allotted to the individual agencies of the Department of Agriculture which carry out the program. Costs and obligations for these activities are shown in the Advances and reimbursement schedules for the individual agencies which actually received these funds.

The Area Redevelopment Act expires on June 30, 1965. Obligations and expenditures reflected for 1966 above are based upon proposed legislation to extend the act.

OFFICE OF THE INSPECTOR GENERAL

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574) [\$9,874,000] and not to exceed \$10,000 for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$10,961,000. (5 U.S.C. 511-512, 563-564; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-68-0900-0-1-355			
Program by activities:			
10 Internal audit and investigation (costs—obligations) ¹	9,882	10,468	11,313
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts:			
Corporate funds.....	-3,023		
Other.....	-262	-259	-259
13 Trust fund accounts.....	-87	-93	-93
16 Comparative transfers from other accounts.....	-6,510		
New obligational authority.....		10,116	10,961
New obligational authority:			
40 Appropriation.....		9,874	10,961
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (78 Stat. 655).....		-8	
43 Appropriation (adjusted).....		9,866	10,961
44 Proposed supplemental due to civilian pay increases.....		250	
Relation of obligations to expenditures:			
10 Total obligations.....	9,882	10,468	11,313
70 Receipts and other offsets (items 11-17).....	-9,882	-352	-352
71 Obligations affecting expenditures.....		10,116	10,961
72 Obligated balance, start of year.....			400
74 Obligated balance, end of year.....		-400	-455
90 Expenditures excluding pay increase supplemental.....		9,476	10,896
91 Expenditures from civilian pay increase supplemental.....		240	10

¹ Includes capital outlay as follows: 1964, \$7 thousand; 1965, \$7 thousand; 1966, \$7 thousand.

The Office serves as the audit and investigative arm of the Secretary of Agriculture and performs all audit and investigative activities of the Department. The Office of the Inspector General assures the Secretary of completely independent and objective selection of departmental activities to be audited; critical reviews and examination of the Department's programs and activities; and factual, unbiased reporting of the results of these audits and investigations. In so doing the Office assures that existing laws, policies and programs are effectively complied with; and insures corrective action where necessary. It also coordinates internal audit and investigative activities of the Department with the various investigative agencies of the executive and legislative branches of the Government. Increases are provided in the budget to strengthen the audit and

investigative services primarily due to the increased activities under the Food Stamp program.

Object Classification (in thousands of dollars)

Identification code 05-68-0900-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	6,824	7,634	8,200
11.3 Positions other than permanent.....	29		
11.5 Other personnel compensation.....	80	25	25
Total personnel compensation.....	6,933	7,659	8,225
12.0 Personal benefits.....	506	570	615
21.0 Travel and transportation of persons.....	1,940	1,890	2,110
22.0 Transportation of things.....	32	13	14
23.0 Rent, communications, and utilities.....	158	153	161
24.0 Printing and reproduction.....	17	18	19
25.1 Other services.....	49	38	40
25.2 Services of other agencies.....	78	48	49
26.0 Supplies and materials.....	49	49	50
31.0 Equipment.....	120	30	30
99.0 Total obligations.....	9,882	10,468	11,313

Personnel Summary

Total number of permanent positions.....	924	915	984
Full-time equivalent of other positions.....	6	0	0
Average number of all employees.....	835	844	908
Average GS grade.....	9.4	9.2	9.2
Average GS salary.....	\$8,516	\$8,772	\$8,843

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation. Funds appropriated to the President, "Public works acceleration."

OFFICE OF THE GENERAL COUNSEL

General and special funds:

SALARIES AND EXPENSES

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, **[\$3,853,000]** \$4,229,000. (5 U.S.C. 511-512, 518; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-72-2300-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Commodity and production stabilization.....	951	1,042	1,072
2. Marketing, regulatory laws, research and operations.....	993	1,079	1,139
3. Rural development and conservation.....	1,747	1,918	2,018
Total program costs, funded ¹.....	3,691	4,039	4,229
Change in selected resources ².....	-12		
10 Total obligations.....	3,679	4,039	4,229
Financing:			
16 Comparative transfers to other accounts.....	263		
25 Unobligated balance lapsing.....	21		
New obligational authority.....	3,963	4,039	4,229
New obligational authority:			
40 Appropriation.....	3,974	3,853	4,229
41 Transferred to "Operating expenses, Public Buildings Service, General Service Administration (77 Stat. 436)....."	-10		
43 Appropriation (adjusted).....	3,963	3,853	4,229
44 Proposed supplemental due to civilian pay increase.....		186	

Program and Financing (in thousands of dollars)—Continued

Identification code 05-72-2300-0-1-355	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
10 Total obligations.....	3,679	4,039	4,229
70 Receipts and other offsets (items 11-17).....	263		
71 Obligations affecting expenditures:	3,942	4,039	4,229
72 Obligated balance, start of year.....	260	164	146
74 Obligated balance, end of year.....	-164	-146	-150
77 Adjustments in expired accounts.....	-6		
90 Expenditures excluding pay increase supplemental.....	4,032	3,884	4,212
91 Expenditures from civilian pay increase supplemental.....		173	13

¹ Includes capital outlay as follows: 1964, \$13 thousand; 1965, \$15 thousand; 1966, \$12 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$23 thousand (1964 adjustments, -\$6 thousand); 1964, \$5 thousand; 1965, \$5 thousand; 1966, \$5 thousand.

The Office serves as legal counsel for the Secretary of Agriculture and performs all legal work for the Department. It represents the Department in administrative proceedings for the promulgation of rules and regulations having the force and effect of law and in quasi-judicial hearings held in connection with the administration of Department programs. The Office also represents the Secretary in proceedings before the Interstate Commerce Commission dealing with rates and practices relating to the transportation of agricultural commodities and in appeals to the courts from the decisions of the Commission. It examines titles to lands to be acquired by the Department or accepted as security for loans, and disposes of claims arising out of the Department activities.

Object Classification (in thousands of dollars)

Identification code 05-72-2300-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	3,176	3,485	3,633
11.3 Positions other than permanent.....	24	26	26
11.5 Other personnel compensation.....	3	3	3
Total personnel compensation.....	3,203	3,514	3,662
12.0 Personal benefits.....	234	264	275
21.0 Travel and transportation of persons.....	88	94	100
22.0 Transportation of things.....	1	2	3
23.0 Rent, communications, and utilities.....	51	53	58
24.0 Printing and reproduction.....	11	13	14
25.1 Other services.....	18	20	22
25.2 Services of other agencies.....	11	12	12
26.0 Supplies and materials.....	29	30	33
31.0 Equipment.....	33	37	50
99.0 Total obligations.....	3,679	4,039	4,229

Personnel Summary

Total number of permanent positions.....	366	366	396
Full-time equivalent of other positions.....	3	3	3
Average number of all employees.....	348	349	374
Average GS grade.....	9.2	9.2	9.0
Average GS salary.....	\$9,228	\$9,851	\$9,712

ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments from other accounts are included in the schedule of the parent appropriations as follows: Agricultural Stabilization and Conservation Service, "Expenses," Farmers Home Administration, "Emergency credit revolving fund."

OFFICE OF INFORMATION

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, **[\$1,648,000]** \$1,689,000, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be available to be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$10,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a). (5 U.S.C. 611-612; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-76-0200-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Publications review and distribution.....	726	748	748
2. Review and distribution of current agricultural information.....	618	635	635
3. Review, preparation and distribution of visual agricultural information.....	285	306	306
Total program costs, funded ¹	1,629	1,689	1,689
Change in selected resources ²	-4		
10 Total obligations.....	1,625	1,689	1,689
Financing:			
16 Comparative transfers to other accounts.....	50		
25 Unobligated balance lapsing.....	10		
New obligational authority.....	1,684	1,689	1,689
New obligational authority:			
40 Appropriation.....	1,684	1,648	1,689
44 Proposed supplemental due to civilian pay increases.....		41	
Relation of obligations to expenditures:			
10 Total obligations.....	1,625	1,689	1,689
70 Receipts and other offsets (items 11-17).....	50		
71 Obligations affecting expenditures.....	1,674	1,689	1,689
72 Obligated balance, start of year.....	370	395	405
74 Obligated balance, end of year.....	-395	-405	-415
77 Adjustments in expired accounts.....	-5		
90 Expenditures excluding pay increase supplemental.....	1,644	1,647	1,670
91 Expenditures from civilian pay increase supplemental.....		32	9

¹ Includes capital outlay as follows: 1964, \$8 thousand; 1965, \$4 thousand; 1966, \$4 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964 adjust- ments	1964	1965	1966
Stores.....	217		225	225	225
Unpaid undelivered orders.....	288	-5	271	271	271
Total selected resources.....	505	-5	496	496	496

The Office has responsibility for the information work of the entire Department. Its major objective is to report to farmers, agricultural, and closely related groups, and to the public the Department's research, action, regulatory, and other programs, using all information media. This work is carried on in close cooperation with the land-grant institutions and with private industries which serve agriculture. Workload depends upon Department program demands, direct requests, and legislative requirements.

1. *Publications review and distribution.*—The Department's printed publications are reviewed, published, and distributed. Processed publications are reviewed. Publications include farmers' bulletins, leaflets, periodicals, scientific, research, and marketing publications, and agricultural statistics.

2. *Review and distribution of current agricultural information.*—The Department's widespread activities require extensive preparation of information material for press, radio, and television use, as well as for specific agricultural outlets and the general public. Over 4,000 periodic crop, price, and market reports and press releases are issued annually. Digests, newsletters, special articles, and other editorial services are made available to press associations, farm and general publications, trade publications, daily newspapers, and encyclopedic annuals. Radio is used to reach farmers locally through single stations, and to broadcast nationally through the major networks. Films, television packages, and other services are prepared for the use of land-grant institutions, television farm broadcasters and TV networks. Information campaigns involving activities of cross-agency interest are developed using all media. The Yearbook of Agriculture is published by the Office and distributed by the Members of Congress.

3. *Review, preparation and distribution of visual agricultural information.*—Motion pictures for the Department and nonprofit organizations associated with agriculture, produced on a reimbursable basis under the Department's working capital fund, are distributed through nearly 70 cooperating State film libraries. Still photographs, illustrations, graphics, and exhibits are similarly produced for use in explaining and reporting on Department programs. News and general-type photographs of Department programs and activities are available to news media from a centralized library.

Object Classification (in thousands of dollars)

Identification code 05-76-0200-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	831	918	918
11.5 Other personnel compensation.....	2		
Total personnel compensation.....	833	918	918
12.0 Personnel benefits.....	62	68	68
21.0 Travel and transportation of persons.....	7	7	7
22.0 Transportation of things.....	3	3	3
23.0 Rent, communications, and utilities.....	101	98	98
24.0 Printing and reproduction.....	523	520	520
25.1 Other services.....	11	10	10
25.2 Services of other agencies.....	57	46	46
26.0 Supplies and materials.....	14	14	14
31.0 Equipment.....	14	5	5
99.0 Total obligations.....	1,625	1,689	1,689

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
Total number of permanent positions.....	125	126	126
Average number of all employees.....	112	115	115
Average GS grade.....	7.8	7.7	7.7
Average GS salary.....	\$7,523	\$7,949	\$8,023
Average salary of ungraded positions.....	\$5,240	\$5,240	\$5,240

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedule of the parent appropriation, as follows:

Funds appropriated to the President:

"Economic assistance."

"Public Works Acceleration."

Agriculture:

Soil Conservation Service, "Great Plains conservation program."

"Working capital fund."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-76-3996-0-4-355			
Program by activities:			
1. Review, preparation, and distribution of visual agricultural information.....	11	12	12
2. Area redevelopment program, Commerce.....	31	21	-----
Total program costs, funded.....	42	33	12
Change in selected resources ¹	-3	-----	-----
10 Total obligations.....	39	33	12
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts.....	-32	-22	-----
14 Non-Federal sources ²	-7	-11	-12
New obligational authority.....	-----	-----	-----
Relation of obligations to expenditures:			
10 Total obligations.....	39	33	12
70 Receipts and other offsets (items 11-17).....	-39	-33	-12
71 Obligations affecting expenditures.....	-----	-----	-----
90 Expenditures.....	-----	-----	-----

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$3 thousand; 1964, \$0; 1965, \$0; 1966, \$0.

² Reimbursements from non-Federal sources are derived from sale of photographs (7 U.S.C. 1387.)

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-76-3996-0-4-355			
11.1 Personnel compensation: Permanent positions.....	23	18	-----
12.0 Personnel benefits.....	2	1	-----
21.0 Travel and transportation of persons.....	-----	1	-----
24.0 Printing and reproduction.....	9	13	12
25.2 Services of other agencies.....	5	-----	-----
99.0 Total obligations.....	39	33	12

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
Total number of permanent positions.....	3	3	0
Average number of all employees.....	3	3	0
Average GS grade.....	7.8	7.7	0
Average GS salary.....	\$7,523	\$7,949	0

NATIONAL AGRICULTURAL LIBRARY

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the National Agricultural Library, **[\$1,547,000] \$1,865,000: Provided,** That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed \$35,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a). (5 U.S.C. 83, 511-512, 514, 516, 552a; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-84-0300-0-1-355			
Program by activities:			
Agricultural library services (program costs, funded) ¹	1,295	1,599	1,865
Change in selected resources ²	21	-----	-----
10 Total obligations.....	1,317	1,599	1,865
Financing:			
16 Comparative transfer to other accounts.....	99	-----	-----
25 Unobligated balance lapsing.....	10	-----	-----
New obligational authority.....	1,426	1,599	1,865
New obligational authority:			
40 Appropriation.....	1,426	1,547	1,865
44 Proposed supplemental due to civilian pay increases.....	-----	52	-----
Relation of obligations to expenditures:			
10 Total obligations.....	1,317	1,599	1,865
70 Receipts and other offsets (items 11-17).....	99	-----	-----
71 Obligations affecting expenditures.....	1,416	1,599	1,865
72 Obligated balance, start of year.....	107	114	140
74 Obligated balance, end of year.....	-114	-140	-166
77 Adjustments in expired accounts.....	-5	-----	-----
90 Expenditures, excluding pay increase supplemental.....	1,404	1,523	1,837
91 Expenditures from civilian pay increase supplemental.....	-----	50	2

¹ Includes capital outlay as follows: 1964, \$10 thousand; 1965, \$20 thousand; 1966, \$19 thousand.

² Selected resources as of June 30, are as follows: Unpaid undelivered orders, 1963, \$31 thousand; (1964 adjustments—\$4 thousand); 1964, \$48 thousand; 1965, \$48 thousand; 1966, \$48 thousand.

The National Agricultural Library, cooperating jointly with the two other national libraries—the Library of Congress and the National Library of Medicine—provides coverage and servicing of worldwide publications in the agricultural, chemical, and biological sciences. It serves the research, extension, regulatory, and other programs of the Department and State agricultural agencies. It contains approximately 1,229,000 volumes, probably the most extensive agricultural collection in existence. Since the Library's primary purpose is to provide for research needs, substantive publications in the animal sciences, plant sciences, agricultural chemistry, agricultural engineering, soils, forestry, agricultural products, home economics, world sociology, agricultural economics and agricultural statistics are acquired and preserved. Publications are regularly acquired from more than fifty countries on subjects ranging from apiculture to zootomy. In addition, printed information of agricultural societies, organizations, cooperatives, and general material in the field of agriculture are collected and made available for use.

NATIONAL AGRICULTURAL LIBRARY—Con.

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Information contained in the agricultural literature is disseminated through bibliographies, loans, photocopies and reference services to agricultural colleges and universities, research institutions, Government agencies, agricultural associations, industry, individual scientists, farmers, and the general public in every part of the world.

During 1964, 17,236 volumes and 229,649 separate issues of periodicals were added to the collection by purchase, gift, and exchange. An additional 3,626 volumes of previously unbound material were also added during the year. During the same period 251,748 loans of books and periodicals were made and 111,789 reference questions answered.

The increase proposed for 1966 would be used to expand coverage and to continue mechanization of the Bibliography of Agriculture, and to acquire, catalog, and service essential scientific publications.

Object Classification (in thousands of dollars)

Identification code 05-84-0300-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	976	1,158	1,320
11.3 Positions other than permanent.....	11	10	10
11.4 Special personal service payments.....	12	10	-----
11.5 Other personnel compensation.....	3	1	1
Total personnel compensation.....	1,003	1,179	1,331
12.0 Personnel benefits.....	74	89	100
21.0 Travel and transportation of persons.....	6	6	7
23.0 Rent, communications, and utilities.....	13	14	14
24.0 Printing and reproduction.....	26	35	36
Binding.....	44	45	58
25.1 Other services.....	11	92	146
25.2 Services of other agencies.....	21	27	27
26.0 Supplies and materials.....	11	14	16
31.0 Equipment.....	108	98	130
99.0 Total obligations.....	1,317	1,599	1,865

Personnel Summary

Total number of permanent positions.....	181	201	224
Full-time equivalent of other positions.....	3	3	3
Average number of all employees.....	152	168	191
Average GS grade.....	6.4	6.6	6.7
Average GS salary.....	\$6,364	\$6,769	\$6,822

LIBRARY FACILITIES

For construction of facilities for the National Agricultural Library, to remain available until expended, \$7,000,000, with which shall be merged the unexpended balance of funds heretofore appropriated under this head. (5 U.S.C. 565a.)

Program and Financing (in thousands of dollars)

Identification code 05-84-0301-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Plans and specifications.....	56	367	11
2. Construction of facilities.....	-----	-----	2,355
Total program costs, funded.....	56	367	2,366

Program and Financing (in thousands of dollars)—Continued

Identification code 05-84-0301-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities—Continued			
Change in selected resources ¹	279	-255	4,637
10 Total obligations.....	335	112	7,003
Financing:			
21 Unobligated balance available, start of year.....	-----	-115	-3
24 Unobligated balance available, end of year.....	115	3	-----
40 New obligational authority (appropriation).....	450	-----	7,000
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	335	112	7,003
72 Obligated balance, start of year.....	-----	279	37
74 Obligated balance, end of year.....	-279	-37	-5,029
90 Expenditures.....	55	355	2,011

¹ Unpaid undelivered orders are as follows: 1963, \$0; 1964, \$279 thousand; 1965, \$24 thousand; 1966, \$4,661 thousand.

Present facilities are adequate to house less than half of the 1,229,000 volumes in the National Agricultural Library collection. New library facilities will enable the National Agricultural Library to properly preserve its collection and provide complete efficient services to the Nation's scientists.

Funds for the preparation of plans, specifications and drawings for new facilities were appropriated in fiscal year 1964. These plans are currently scheduled for completion in June, 1965.

The proposed increase would be used to construct a new and adequate library building at Beltsville, Md.

Object Classification (in thousands of dollars)

Identification code 05-84-0301-0-1-355	1964 actual	1965 estimate	1966 estimate
NATIONAL AGRICULTURAL LIBRARY			
21.0 Travel and transportation of persons.....	1	-----	-----
25.2 Services of other agencies.....	-----	54	11
Total obligations, National Agricultural Library.....	1	54	11
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
21.0 Travel and transportation of persons.....	-----	1	-----
24.0 Printing and reproduction.....	-----	21	-----
25.1 Other services.....	334	36	147
32.0 Lands and structures.....	-----	-----	6,845
Total obligations, General Services Administration.....	334	58	6,992
99.0 Total obligations.....	335	112	7,003

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedules of the parent appropriations as follows:
Funds Appropriated to the President, "Economic assistance."
Agriculture, "Working capital fund."

Intragovernmental funds:**ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

Identification code	1964 actual	1965 estimate	1966 estimate
05-84-3989-0-4-355			
Program by activities:			
Agricultural library services (includes Department of Agriculture and Farm Credit Administration) (program costs, funded).....	82	90	90
Change in selected resources ¹	-1		
10 Total obligations	81	90	90
Financing:			
11 Receipts and reimbursements from: Administrative budget accounts	-81	-90	-90
New obligational authority			
Relation of obligations to expenditures:			
10 Total obligations	81	90	90
70 Receipts and other offsets (items 11-17)	-81	-90	-90
71 Obligations affecting expenditures			
90 Expenditures			

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$4 thousand; 1964, \$3 thousand; 1965, \$3 thousand; 1966, \$3 thousand.

Object Classification (in thousands of dollars)

11.1 Personnel compensation: Permanent positions	65	68	69
12.0 Personnel benefits	4	5	5
24.0 Printing and reproduction	1	1	1
25.2 Services of other agencies		5	4
26.0 Supplies and materials	1	1	1
31.0 Equipment	10	10	10
99.0 Total obligations	81	90	90

Personnel Summary

Total number of permanent positions	11	11	11
Average number of all employees	10	11	11
Average GS grade	6.4	6.6	6.7
Average GS salary	\$6,364	\$6,769	\$6,822

OFFICE OF MANAGEMENT SERVICES**SALARIES AND EXPENSES**

For necessary expenses to enable the Office of Management Services to provide management support services to selected agencies and offices of the Department of Agriculture, **[\$2,482,000]** \$2,579,000. (5 U.S.C. 511-512, 542-1; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-88-0700-0-1-355			
Program by activities:			
10 Management support activities (costs—obligations) ¹	2,774	3,003	3,105
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts:			
Area Redevelopment Program (Commerce).....	-21		
Commodity Credit Corporation.....	-87		
Other.....	-257	-520	-526
16 Comparative transfers from other accounts	-2,409		
New obligational authority		2,483	2,579
New obligational authority:			
40 Appropriation		2,482	2,579
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (78 Stat. 655)		-19	
43 Appropriation (adjusted)		2,463	2,579
44 Proposed supplemental due to civilian pay increases		20	
Relation of obligations to expenditures:			
10 Total obligations	2,774	3,003	3,105
70 Receipts and other offsets (items 11-17)	-2,774	-520	-526
71 Obligations affecting expenditures		2,483	2,579
72 Obligated balance, start of year			260
74 Obligated balance, end of year		-260	-211
90 Expenditures excluding pay increase supplemental		2,203	2,628
91 Expenditures from civilian pay increase supplemental		20	

¹ Includes capital outlay as follows: 1964, \$41 thousand; 1965, \$20 thousand; 1966 \$25 thousand.

The Office of Management Services provides consolidated management support services to 17 agencies and offices of the Department. It was established by Secretary's Memorandum No. 1529, dated January 29, 1963, to provide greater economy and effectiveness in the rendering of management service through improved utilization of manpower and management techniques; increased specialization of professional skills; and more extensive use of time-saving equipment.

The consolidated management support functions include budget and finance, personnel and related programs, administrative services, and information work. The organization structure of OMS is based upon these functions with operating divisions providing the services for the following agencies and offices: Office of the Secretary, Office of Budget and Finance, Office of Hearing Examiners, Office of Management Appraisal and Systems Develop-

OFFICE OF MANAGEMENT SERVICES—Con.

SALARIES AND EXPENSES—Continued

ment, Office of Personnel, Office of Plant and Operations, Rural Community Development Service, Office of Information, National Agricultural Library, Office of the General Counsel, Office of the Inspector General, Farmer Cooperative Service, Commodity Exchange Authority, Cooperative State Research Service, Economic Research Service, and Statistical Reporting Service.

Object Classification (in thousands of dollars)

Identification code 05-88-0700-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	2,191	2,426	2,493
11.3 Positions other than permanent.....	7	7	7
11.5 Other personnel compensation.....	43	35	35
Total personnel compensation.....	2,241	2,468	2,535
12.0 Personnel benefits.....	163	184	187
21.0 Travel and transportation of persons.....	19	33	40
22.0 Transportation of things.....	2	1	1
23.0 Rent, communications, and utilities.....	84	80	81
24.0 Printing and reproduction.....	81	75	78
25.1 Other services.....	8	8	8
25.2 Services of other agencies.....	77	64	70
26.0 Supplies and materials.....	63	65	70
31.0 Equipment.....	36	25	35
99.0 Total obligations.....	2,774	3,003	3,105

Personnel Summary

Total number of permanent positions.....	373	377	391
Full-time equivalent of other positions.....	1	1	1
Average number of all employees.....	332	343	354
Average GS grade.....	6.8	6.7	6.6
Average GS salary.....	\$6,685	\$7,010	\$7,080

GENERAL ADMINISTRATION

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, including expenses of the National Agricultural Advisory Commission; repairs and alterations; and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, **[\$3,314,000]** \$3,848,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by the Administrative Procedures Act (5 U.S.C. 1001): *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary. (5 U.S.C. 511-517; secs. 511-512—establishing the Department of Agriculture, which was implemented by the Act of July 24, 1919 (5 U.S.C. 563-564), apply to all appropriation items of the Department which are not based upon specific legislative authority either incorporated in the language of the item or cited immediately thereunder; 5 U.S.C. 520a, 542-1, 543b, 1001, 2131; 78 Stat. 252-253; Department of Agriculture and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-92-0115-0-1-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Program and policy direction and coordination:			
(a) Office of the secretary and under secretary.....	604	761	1,074
(b) Assistant secretaries.....	271	332	332
2. Budgetary and financial administration.....	723	783	783
3. General operations.....	697	756	756
4. Management appraisal and systems development.....	129	147	147
5. Personnel administration.....	711	760	760
6. Regulatory hearings and decisions.....	192	230	230
7. National Agricultural Advisory Commission.....	26	27	27
Total program costs, funded ¹	3,353	3,796	4,109
Change in selected resources ²	-34		
10 Total obligations.....	3,319	3,796	4,109
Financing:			
11 Receipts and reimbursements from administrative budget accounts: For emergency preparedness functions.....	-150	-243	-261
16 Comparative transfers to other accounts.....	516		
25 Unobligated balance lapsing.....	65		
New obligational authority.....	3,750	3,553	3,848
New obligational authority:			
40 Appropriation.....	3,750	3,314	3,848
44 Proposed supplemental due to civilian pay increases.....		239	
Relation of obligations to expenditures:			
10 Total obligations.....	3,319	3,796	4,109
70 Receipts and other offsets (items 11-17).....	366	-243	-261
71 Obligations affecting expenditures.....	3,685	3,553	3,848
72 Obligated balance, start of year.....	385	175	233
74 Obligated balance, end of year.....	-175	-233	-228
77 Adjustments in expired accounts.....	6		
90 Expenditures excluding pay increase supplemental.....	3,902	3,285	3,824
91 Expenditures from civilian pay increase supplemental.....		210	29

¹ Includes capital outlay as follows: 1964, \$74 thousand; 1965, \$20 thousand; 1966, \$20 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$38 thousand (1964 adjustments, \$8 thousand); 1964, \$12 thousand; 1965, \$12 thousand; 1966, \$12 thousand.

General administration covers the overall planning, coordination, and administration of the Department's programs. Also included are certain services on a departmentwide basis.

2. *Budgetary and financial administration.*—This covers departmental budgetary and financial management; policies and procedures are promulgated, and programs and legislative proposals are evaluated for budgetary, financial, and related implications.

3. *General operations.*—These embrace departmental policies and procedures for real and personal property,

and supply and records management activities. Departmentwide central services of post office, telephone, telegraph, reproduction, and supply are furnished.

4. *Management appraisal and systems development.*—This covers the coordination and direction of the development of new and improved management techniques, acquisition and utilization of data processing equipment, development of methods of measuring, the effectiveness of program operations, and the application of operations research techniques to the administrative, program, and scientific activities of the Department.

5. *Personnel administration.*—Departmental policies and procedures are promulgated for the personnel management program. The operational phases of this program have been substantially delegated to the agencies. A systematic review is conducted to insure unification thereof and to measure its effectiveness in serving the agencies' personnel management requirements.

6. *Regulatory hearings and decisions.*—The hearing examiners hold hearings in connection with the prescribing of new regulations and orders and on disciplinary complaints filed by the Department or on petitions filed by private parties asking relief from some action of the Department. Final administrative decisions in regulatory proceedings are rendered by the judicial officer. "Agriculture Decisions" is published monthly.

7. *National Agricultural Advisory Commission.*—Provision is made for the payment of necessary expenses incident to periodic meetings of the National Agricultural Advisory Commission.

Object Classification (in thousands of dollars)

Identification code 05-92-0115-0-1-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	2,693	3,076	3,276
11.3 Positions other than permanent.....	7	13	13
11.4 Special personal service payments.....	-----	1	-----
11.5 Other personnel compensation.....	13	13	15
Total personnel compensation.....	2,713	3,103	3,304
12.0 Personnel benefits.....	199	229	244
21.0 Travel and transportation of persons.....	118	142	198
22.0 Transportation of things.....	3	3	7
23.0 Rent, communications, and utilities.....	76	77	81
24.0 Printing and reproduction.....	96	103	117
25.1 Other services.....	12	12	14
25.2 Services of other agencies.....	50	65	70
26.0 Supplies and materials.....	30	38	48
31.0 Equipment.....	22	24	26
99.0 Total obligations.....	3,319	3,796	4,109

Personnel Summary

Total number of permanent positions.....	291	290	314
Full-time equivalent of other positions.....	1	2	2
Average number of all employees.....	279	284	306
Average GS grade.....	8.0	7.9	7.9
Average GS salary.....	\$8,149	\$8,540	\$8,561
Average salary of ungraded positions.....	\$5,562	\$5,534	\$5,534

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation as follows:

Funds appropriated to the President: "Public works acceleration."
Agriculture, Agricultural Research Service: "Salaries and expenses."

Intragovernmental funds:

WORKING CAPITAL FUND, DEPARTMENT OF AGRICULTURE

Program and Financing (in thousands of dollars)

Identification code 05-92-4609-0-4-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Operating costs, funded:			
1. Supply and other central services:			
Cost of goods sold.....	434	434	434
Other.....	546	546	546
2. Reproduction services:			
Cost of goods sold.....	392	395	396
Other.....	828	827	825
3. Motion picture, photographic, and other visual information service:			
Cost of goods sold.....	204	205	205
Other.....	1,440	1,511	1,511
4. Automatic data processing services:			
Cost of service.....	2,542	3,555	3,670
Total operating costs, funded.....	6,387	7,473	7,587
Capital outlay, funded:			
Purchase of equipment:			
1. Reproduction services.....	33	40	40
2. Motion picture, photographic, and other visual information services.....	4	4	4
3. Automatic data processing services.....	40	12	12
Total capital outlay, funded.....	77	56	56
Total program costs, funded.....	6,464	7,529	7,643
Change in selected resources ¹	-21	-----	-----
10 Total obligations.....	6,443	7,529	7,643
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts:			
Revenue:			
Supply and other central services.....	-978	-985	-985
Reproduction services.....	-1,253	-1,236	-1,236
Motion picture, photographic and other visual information services.....	-1,612	-1,717	-1,717
Automatic data processing services.....	-2,638	-3,560	-3,675
14 Non-Federal sources: Revenue:			
Reproduction services.....	-18	-18	-18
Motion picture, photographic, and other visual information services.....	-50	-30	-30
21.98 Unobligated balance available, start of year.....	-1,062	-1,168	-1,185
24.98 Unobligated balance available, end of year.....	1,168	1,185	1,203
New obligational authority.....	-----	-----	-----
Relation of obligations to expenditures:			
10 Total obligations.....	6,443	7,529	7,643
70 Receipts and other offsets (items 11-17).....	-6,549	-7,546	-7,661
71 Obligations affecting expenditures.....	-106	-17	-18
72.98 Receivables in excess of obligations, start of year.....	-830	-606	-677
74.98 Receivables in excess of obligations, end of year.....	606	677	742
90 Expenditures.....	-330	54	47

¹ Balances of selected resources are identified on the statement of financial condition.

GENERAL ADMINISTRATION—Continued**Intragovernmental funds—Continued****WORKING CAPITAL FUND, DEPARTMENT OF AGRICULTURE—Con.**

This fund finances on a reimbursable basis certain central services in the Department of Agriculture, including duplicating, photographic, and other visual information services, art and graphics, motion picture, tabulating, supply, library photocopy and microfilming services, civil defense activities, interagency employee training programs and the centralized automatic data processing system for payroll, and other services. The capital consists of \$400 thousand appropriated (5 U.S.C. 542-1) and \$552 thousand donated assets, as of June 30, 1964. Earnings are retained to furnish adequate working capital.

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Supply and other central services:			
Revenue.....	978	985	985
Expense.....	983	985	985
Net operating income, supply and other central services program.....	-5		
Reproduction services:			
Revenue.....	1,273	1,254	1,254
Expense.....	1,248	1,253	1,253
Net operating income, reproduction services program.....	25	1	1
Motion picture, photographic, and other visual information services:			
Revenue.....	1,699	1,747	1,747
Expense.....	1,675	1,747	1,747
Net operating income, motion picture, photographic, and other visual information services program.....	24		
Automatic data processing services:			
Revenue.....	2,638	3,560	3,675
Expense.....	2,548	3,560	3,675
Net operating income or loss, automatic data processing services.....	90		
Net income for the year.....	134	1	1
Analysis of retained earnings: Retained earnings, start of year.....	188	322	323
Retained earnings, end of year.....	322	323	324

Financial Condition (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Treasury balance.....	232	562	508	460
Accounts receivable, net.....	868	713	784	849
Selected assets: ¹				
Advances.....	18	2		
Commodities for sale.....	253	258	261	261
Supplies, deferred charges, etc.....	64	48	48	48
Fixed assets, net.....	445	472	456	440
Total assets.....	1,880	2,055	2,056	2,058
Liabilities:				
Current.....	759	782	782	782

Financial Condition (in thousands of dollars)—Continued

	1963 actual	1964 actual	1965 estimate	1966 estimate
Government equity:				
Non-interest-bearing capital:				
Start of year.....	926	933	952	952
Donated assets, net.....	7	18		
End of year.....	933	952	952	952
Retained earnings.....	188	322	323	324
Total Government equity.....	1,121	1,273	1,274	1,276

Analysis of Government Equity

	1963 actual	1964 actual	1965 estimate	1966 estimate
Unpaid undelivered orders ¹	238	245	245	245
Unobligated balance.....	1,062	1,168	1,185	1,203
Unfilled customers orders.....	-959	-920	-920	-920
Invested capital and earnings.....	780	781	764	748
Total Government equity.....	1,121	1,273	1,274	1,276

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-92-4609-0-4-355			
Personnel compensation:			
11.1 Permanent positions.....	2,765	3,217	3,259
11.3 Positions other than permanent.....	94	132	201
11.4 Special personal service payments.....	123		
11.5 Other personnel compensation.....	213	130	130
Total personnel compensation.....	3,195	3,479	3,590
12.0 Personnel benefits.....	210	239	240
21.0 Travel and transportation of persons.....	56	59	58
22.0 Transportation of things.....	20	17	17
23.0 Rent, communications, and utilities.....	233	256	256
24.0 Printing and reproduction.....	118	247	247
25.1 Other services.....	560	1,025	1,025
25.2 Services of other agencies.....	847	1,024	1,026
26.0 Supplies and materials.....	1,133	1,123	1,124
31.0 Equipment.....	71	60	60
99.0 Total obligations.....	6,443	7,529	7,643

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
Total number of permanent positions.....	460	517	517
Full-time equivalent of other positions.....	23	35	45
Average number of all employees.....	450	519	533
Average GS grade.....	6.7	6.7	6.7
Average GS salary.....	\$6,750	\$7,082	\$7,055
Average salary of ungraded positions.....	\$5,601	\$5,567	\$5,567

ADVANCES AND REIMBURSEMENTS**Program and Financing (in thousands of dollars)**

Identification code	1964 actual	1965 estimate	1966 estimate
05-92-3900-0-4-355			
Program by activities:			
1. Miscellaneous services to other accounts:			
Department of Agriculture.....	83	78	74
Other agencies.....	13	19	8
2. Area redevelopment program (Department of Commerce).....	23	8	
10 Total obligations.....	119	105	82

Program and Financing (in thousands of dollars)—Continued

Identification code 05-92-3900-0-4-355	1964 actual	1965 estimate	1966 estimate
Financing:			
11 Receipts and reimbursements from: administrative budget accounts.....	-119	-105	-82
New obligational authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	119	105	82
70 Receipts and other offsets (items 11-17)....	-119	-105	-82
71 Obligations affecting expenditures.....			
90 Expenditures.....			

Object Classification (in thousands of dollars)

11.1 Personnel compensation: Permanent positions.....	55	41	19
12.0 Personnel benefits.....	4	2	2
21.0 Travel and transportation of persons.....	31	46	45
24.0 Printing and reproduction.....	3	3	3
25.1 Other services.....	1	2	2
25.2 Services of other agencies.....	18	4	4
26.0 Supplies and materials.....	7	7	7
99.0 Total obligations.....	119	105	82

Personnel Summary

Total number of permanent positions.....	4	5	3
Average number of all employees.....	4	5	3
Average GS grade.....	8.0	7.9	7.9
Average GS salary.....	\$8,149	\$8,540	\$8,561

FOREST SERVICE

The Service carries on three primary functions: (a) protection, development, and use of about 186 million acres of land in national forests and national grasslands in the United States and Puerto Rico; (b) forestry research for all public and private forest lands and related ranges to improve protection from fire, insects, and diseases; to increase production of timber, forage, water, and other products; to improve methods for developing and managing recreation resources; to develop better utilization and marketing of forest products; and to maintain a current inventory of forest resources through a nationwide forest survey; and (c) cooperation with States and private forest landowners to obtain better fire protection on approximately 450 million acres of forest land and nonforest watersheds, and better forest practices on about 358 million acres of privately owned commercial timberlands, to encourage reforestation and stimulate development and management of State, county, and community forests. These primary functions include construction and maintenance of roads and trails, control of forest pests, protection against floods, land acquisition and exchange, and a number of cooperative projects.

General and special funds:

FOREST PROTECTION AND UTILIZATION

For expenses necessary for forest protection and utilization, as follows:

Forest land management: For necessary expenses of the Forest Service, not otherwise provided for, including the administration, improvement, development, and management of lands under Forest Service administration, fighting and preventing forest fires on or threatening such lands and for liquidation of obligations incurred in the preceding fiscal year for such purposes, control of white pine blister rust and other forest diseases and insects on Federal and non-Federal lands; **[\$149,944,000] \$162,378,000**, of which \$5,000,000 for fighting and preventing forest fires and \$1,910,000 for insect and disease control shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary under the then existing conditions: *Provided*, That not more than \$680,000 of this appropriation may be used for acquisition of land under the Act of March 1, 1911, as amended (16 U.S.C. 513-519): *Provided further*, That funds appropriated for "Cooperative range improvements", pursuant to section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), may be advanced to this appropriation.

Forest research: For forest research at forest and range experiment stations, the Forest Products Laboratory, or elsewhere, as authorized by law; **[\$31,685,000] \$32,554,000**.

State and private forestry cooperation: For cooperation with States in forest-fire prevention and suppression, in forest tree planting on non-Federal public and private lands, and in forest management and processing, and for advising timberland owners, associations, wood-using industries, and others in the application of forest management principles and processing of forest products, as authorized by law; **[\$16,955,000] \$17,513,000**.

[For an additional amount for "Forest protection and utilization", for Forest research, \$1,900,000, of which \$50,000 for Forest research construction shall remain available until expended.]

[For an additional amount for "Forest protection and utilization", for "Forest land management", \$800,000.] (5 U.S.C. 511-512, 524, 565a; 7 U.S.C. 428a, 1010-1012, 1621-1627; 16 U.S.C. 207c, 471-583i, 594-1-594-5, 594a, 1004-1005; 30 U.S.C. 601-604, 611-616; 31 U.S.C. 534; 42 U.S.C. 1891-1893; 43 U.S.C. 1181h-1181j; 36 Stat. 557-579; Department of the Interior and Related Agencies Appropriation Act, 1965; Department of Agriculture and Related Agencies Appropriation Act, 1965; Supplemental Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-96-1100-0-1-402	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Forest land management:			
(a) National Forest protection and management.....	129,117	135,377	138,921
(b) Water resource development related activities.....	1,700	1,887	4,532
(c) Fighting forest fires.....	16,007	5,000	5,000
(d) Insect and disease control.....	11,041	10,775	12,575
(e) Acquisition of lands.....	612	665	600
Total, forest land management.....	158,477	153,704	161,628
2. Forest Research:			
(a) Forest and range management.....	11,276	13,201	12,989
(b) Forest protection.....	5,471	7,675	8,025
(c) Forest products and engineering.....	5,115	5,810	6,299
(d) Forest resource economics.....	2,883	3,598	3,923
(e) Forest research construction.....	2,947	3,751	2,068
Total, forest research.....	27,692	34,035	33,304

FOREST SERVICE—Continued

General and special funds—Continued

FOREST PROTECTION AND UTILIZATION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-96-1100-0-1-402	1964 actual	1965 estimate	1966 estimate
Program by activities—Continued			
3. State and private forestry cooperation:			
(a) Forest fire control.....	12,636	12,783	12,783
(b) Forest tree planting.....	280	300	300
(c) Forest management and process- ing.....	2,328	3,027	3,527
(d) General forestry assistance.....	602	903	968
Total, State and private for- estry cooperation.....	15,846	17,013	17,578
Total program costs for year's program.....	202,015	204,752	212,510
4. Repayment to "Cooperative work, For- est Service" of prior year's advance for fighting forest fires.....	1,400		
Total program costs, funded ¹	203,415	204,752	212,510
Change in selected resources ²	-1,479	1,395	700
10 Total obligations.....	201,936	206,147	213,210
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts:			
Emergency preparedness functions.....			-65
Cooperative range improvements.....	-700	-700	-700
16 Comparative transfers to other accounts.....	414		
21 Unobligated balance available, start of year.....	-1,716	-650	
24 Unobligated balance available, end of year.....	650		
25 Unobligated balance lapsing.....	1,876		
New obligational authority.....	202,460	204,797	212,445
New obligational authority:			
40 Appropriation.....	202,798	201,284	212,445
41 Transferred to "Operating expenses, Public Buildings Service," General Services Administration (77 Stat. 465 and 78 Stat. 655).....	-338	-411	
43 Appropriation (adjusted).....	202,460	200,873	212,445
44 Proposed supplemental due to civilian pay increases.....		3,924	
Relation of obligations to expenditures:			
10 Total obligations.....	201,936	206,147	213,210
70 Receipts and other offsets (items 11-17).....	-286	-700	-765
71 Obligations affecting expenditures.....	201,650	205,447	212,445
72 Obligated balance, start of year.....	30,719	28,490	31,124
74 Obligated balance, end of year.....	-28,490	-31,124	-41,379
77 Adjustments in expired accounts.....	125		
90 Expenditures excluding pay increase supplemental.....	204,004	199,011	202,068
91 Expenditures from civilian pay increase supplemental.....		3,802	122

¹ Includes capital outlay as follows: 1964, \$33,831 thousand; 1965, \$36,500 thousand; 1966, \$34,500 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964 adjust- ments	1964	1965	1966
Stores.....	3,039		3,060	3,200	3,400
Unpaid undelivered orders.....	14,817	380	13,735	15,000	15,500
Advances.....	748		710	700	700
Total selected re- sources.....	18,604	380	17,505	18,900	19,600

1. *Forest land management*—(a) *National forest protection and management*.—The 154 national forests and 19 units of national grasslands are managed under multiple use and sustained yield principles. The natural resources of outdoor recreation, range, timber, watershed, and wildlife are utilized in a planned combination that will best meet the needs of the Nation without impairing productivity of the land. These management and utilization principles were recognized in the Multiple Use-Sustained Yield Act of June 12, 1960 (74 Stat. 215). Work programs and budget estimates are related to the Development Program for the National Forests, a plan to meet the increasing demands for specific National Forest resource needs through 1972 and for long-term objectives to the year 2000. Increases are provided in the budget to further attainment of these program objectives. Construction funds of \$16.1 million in 1965 and \$16.6 million in 1966 are budgeted, compared with \$15.7 million used in 1964, for construction or rehabilitation of campground and picnic facilities and other recreation improvements, the construction of dwellings or barracks for employee housing, fire lookouts, service and storage buildings, communication facilities, and other improvements. Funds appropriated under Cooperative range improvements are merged with this appropriation for obligational purposes.

MAIN WORKLOAD FACTORS

Description	1964 actual	1965 estimate	1966 estimate
Area administered and protected:			
(a) National forest lands (acres) ..	182,337,584	182,400,000	182,500,000
(b) National grasslands (acres) ..	3,803,455	3,803,500	3,804,000
(c) Land utilization projects (acres) ..	161,600	162,000	162,000
Timber managed and protected (billion board feet).....	1,171	1,171	1,171
Timber sales (number).....	84,038	85,000	85,500
Timber harvested (billion board feet) ..	11.0	11.2	11.4
Grazing use permits (calendar year) ..	57,598	57,600	57,600
Estimated number of livestock on national forest ranges (including calves and lambs).....	6,000,000	6,000,000	6,000,000
Special use permits, excluding recrea- tion (number).....	35,750	36,500	37,100
Recreation special use permits (num- ber).....	23,000	23,500	24,000
Estimated number of visitors to national forests (calendar year).....	135,000,000	145,000,000	154,000,000
Tree planting and seeding (acres).....	105,000	151,000	151,000
Timber stand improvement (acres treated).....	154,000	200,000	200,000
Range reseeding and removal of com- peting vegetation (acres).....	217,045	217,045	217,045
Receipts (thousands of dollars):			
Timber sales.....	127,960	130,300	132,700
Grazing.....	3,182	3,300	3,400
Land uses.....	4,580	4,800	5,000
National grasslands.....	1,793	1,800	1,850
Total receipts.....	137,515	140,200	142,950

(b) *Water resource development related activities*.—This activity provides for the development of recreational facilities and for other activities required by water resource projects of other agencies located within or adjacent to the national forests.

(c) *Fighting forest fires*.—This provides for employment of additional manpower and other facilities for forest fire emergencies which cannot be met by the fire control organization provided under national forest protection and management. Costs above the amounts estimated for the current and budget years are authorized to be met from advances from other Forest Service appropriations. In addition, a supplemental appropriation for 1965 is anticipated for separate transmittal.

	Calendar year		
	1963 actual	1964 estimate	1965 estimate
Forest fires controlled (number).....	12,740	11,000	11,000
Area burned (acres).....	127,571	200,000	200,000

(d) *Insect and disease control.*—Activities to suppress and control destructive insects and diseases that threaten timber areas include two types of work carried on jointly by Federal, State, and private agencies: (1) Surveys on forest lands to detect and evaluate infestations of forest insects and infections of tree diseases and determination of protective measures to be taken, and (2) control operations to suppress or eradicate forest insects and diseases, including white pine blister rust.

(e) *Acquisition of lands.*—Lands are purchased to protect the watersheds of navigable streams and to increase the production of timber with the approval of the National Forest Reservation Commission.

2. *Forest research.*—Research is conducted at ten regional forest experiment stations, the Forest Products Laboratory, and elsewhere.

(a) *Forest and range management.*—This research provides private and public land managers and owners with a sound basis for management of timber, forage, and watershed lands. Studies are conducted to maintain a sustained yield of products at the lowest possible costs; increase forage for domestic livestock and improve habitat for wildlife without damage to soil, watershed, or other values; assure maximum regular flow of usable water, and reduce floods and sedimentation; and improve methods for developing and managing recreation resources.

(b) *Forest protection.*—Research is conducted to develop sound measures for the protection of forests from damage by fire, insects, and diseases. Forest fire research provides improved methods of predicting fire danger, and preparing for and combating fire by combinations of ground and aerial methods. Insect and disease research develops direct controls, silvicultural measures, and biological agents to combat forest pests.

(c) *Forest products and engineering.*—Studies are conducted to develop new and improved forest products, reduction and utilization of waste, and use of low-quality wood and less-desirable species. They include studies to reduce costs of logging and wood utilization, and to develop basic knowledge of wood and disseminate this to forest owners, manufacturers, fabricators, and consumers. Research is also conducted to advance the mechanization and efficiency of forestry operations, and to develop and evaluate machines and similar equipment for such operations as logging, planting, timber-stand improvement, and protection of forests.

(d) *Forest resource economics.*—These investigations are conducted to inventory and appraise the condition of forest lands, volume and quality of standing timber, ownership of timber resources, annual growth and depletion, and the potential need for timber products. Studies of the economics of forest crop production and of marketing of forest products are also included.

3. *State and private forestry cooperation.*—This program, carried on in cooperation with the States, encourages private timber management. Privately owned forest lands comprise three-fourths of the Nation's commercial forest area and produce about 85% of all timber cut.

(a) *Forest fire control.*—Assistance is furnished 49 States in preventing and suppressing forest fires on private and State owned lands by financial aid, training, procurement of equipment, and a nationwide fire prevention campaign. About 95% of the 450 million acres of non-Federal ownership is now partially covered. During 1963 the acreage burned on protected areas was 0.72% as against an estimated 17.5% on unprotected lands. Of the total expenditures under this program, 80% is contributed by States and counties, 2% by private owners, and 18% by the Federal Government.

(b) *Forest tree planting.*—To encourage woodland owners to reforest unproductive portions of their holdings, and farmers to plant wind barriers around their fields and farmsteads—a total of more than 70 million acres altogether—the States provide planting stock at reasonable prices. The Federal Government shares the cost of producing the stock with the State and private landowners.

(c) *Forest management and processing.*—In cooperation with State foresters, 612 projects in 2,459 counties are operated to aid small woodland owners in applying good management to their timber holdings. In 1964 these projects served some 97,063 owners and 6.1 million acres.

(d) *General forestry assistance.*—Technical forest management assistance is provided to State, community, private, and other Federal agencies, forest industries, colleges, and landowners.

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-1100-0-1-402			
FOREST SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	83,636	93,687	97,583
11.3 Positions other than permanent.....	24,811	24,127	25,116
11.4 Special personal service payments.....	15	9	9
11.5 Other personnel compensation.....	6,863	3,122	3,121
Total personnel compensation.....	115,325	120,945	125,829
12.0 Personnel benefits.....	8,194	8,871	9,209
21.0 Travel and transportation of persons..	5,920	5,992	6,212
22.0 Transportation of things.....	7,258	6,350	6,500
23.0 Rent, communications, and utilities.....	3,721	2,842	2,930
24.0 Printing and reproduction.....	1,450	1,452	1,470
25.1 Other services.....	15,669	13,175	15,343
25.2 Services of other agencies.....	3,789	3,515	3,550
26.0 Supplies and materials.....	12,138	11,272	11,562
31.0 Equipment.....	5,605	5,651	5,721
32.0 Lands and structures.....	6,483	6,156	7,100
41.0 Grants, subsidies, and contributions...	14,424	16,006	16,390
42.0 Insurance claims and indemnities.....	35	30	-----
44.0 Refunds.....	1,400	-----	-----
Subtotal.....	201,411	202,257	211,816
95.0 Quarters and subsistence charges.....	-1,442	-1,382	-1,500
Total obligations, Forest Service.....	199,969	200,875	210,316
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	138	186	497
11.3 Positions other than permanent.....	418	392	424
11.5 Other personnel compensation.....	21	14	14
Total personnel compensation.....	577	592	935
12.0 Personnel benefits.....	26	32	59
21.0 Travel and transportation of persons.....	38	47	77
22.0 Transportation of things.....	18	13	14
23.0 Rent, communications, and utilities.....	12	10	9
24.0 Printing and reproduction.....	1	-----	-----
25.1 Other services.....	613	518	707
25.2 Services of other agencies.....	9	7	6
26.0 Supplies and materials.....	228	148	120
31.0 Equipment.....	66	55	47
32.0 Lands and structures.....	379	3,850	920
Total obligations, allotment accounts.....	1,967	5,272	2,894
99.0 Total obligations.....	201,936	206,147	213,210
Obligations are distributed as follows:			
Agriculture, Forest Service.....	199,969	200,875	210,316
Interior.....	1,381	1,271	1,576
General Services Administration.....	586	4,001	1,318

FOREST SERVICE—Continued

General and special funds—Continued

FOREST PROTECTION AND UTILIZATION—Continued

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
FOREST SERVICE			
Total number of permanent positions.....	12,779	13,340	13,890
Full-time equivalent of other positions.....	6,787	5,879	6,112
Average number of all employees.....	18,610	18,337	19,040
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	28	26	26
Full-time equivalent of other positions.....	80	70	70
Average number of all employees.....	102	96	96
Average GS grade.....	8.1	8.4	8.4
Average GS salary.....	\$6,970	\$7,545	\$7,741
Average salary of ungraded positions.....	\$5,631	\$5,632	\$5,632

Proposed for separate transmittal:

FOREST PROTECTION AND UTILIZATION

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-1100-1-1-402			
Program by activities:			
Forest land management: Fighting forest fires.....		14,000	
10 Total costs—obligations.....		14,000	
Financing:			
40 New obligational authority (proposed supplemental appropriation).....		14,000	
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....		14,000	
90 Expenditures.....		14,000	

Under existing legislation, 1965.—A supplemental appropriation of \$14 million for 1965 is anticipated for fighting forest fires.

COOPERATIVE RANGE IMPROVEMENTS

(Special fund)

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and noxious plants on national forests in accordance with section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), to be derived from grazing fees as authorized by said section, \$700,000, to remain available until expended. (*Department of the Interior and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-5207-0-2-402			
Program by activities:			
Advanced to forest protection and utilization (costs—obligations) (object class 25.3).....	700	700	700
Financing:			
New obligational authority (appropriation).....	700	700	700
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	700	700	700
90 Expenditures.....	700	700	700

Part of the grazing fees from the national forests, when appropriated, are used to protect or improve the productivity of the range, mainly by construction and maintenance of fences, stock watering facilities, bridges, corrals, and driveways. These funds are advanced to and merged with the appropriation Forest protection and utilization, subappropriation Forest land management.

FOREST ROADS AND TRAILS (LIQUIDATION OF CONTRACT AUTHORIZATION)

For expenses necessary for carrying out the provisions of title 23, United States Code, sections 203 and 205, relating to the construction and maintenance of forest development roads and trails, [\$70,300,000] \$78,672,000, to remain available until expended, for liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203: *Provided*, That funds available under the Act of March 4, 1913 (16 U.S.C. 501), shall be merged with and made a part of this appropriation: *Provided further*, That not less than the amount made available under the provisions of the Act of March 4, 1913, shall be expended under the provisions of such Act. (5 U.S.C. 565a; 23 U.S.C. 125; 78 Stat. 1089; *Department of the Interior and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-2262-0-1-402			
Program by activities:			
1. Construction of roads and trails.....	56,451	66,671	79,535
2. Maintenance of roads and trails.....	15,862	21,936	18,100
Total program costs, funded ¹	72,313	88,607	97,635
Change in selected resources ²	4,969	6,265	
10 Total obligations.....	77,282	94,872	97,635
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts (16 U.S.C. 501).....	-12,001	-13,141	-13,400
21.49 Unobligated balance available, start of year: Contract authorization.....	-70,461	-90,180	-93,449
24.49 Unobligated balance available, end of year: Contract authorization.....	90,180	93,449	94,214
New obligational authority.....	85,000	85,000	85,000

Program and Financing (in thousands of dollars)—Continued

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-2262-0-1-402			
New obligational authority:			
49 Current contract authorization (78 Stat. 397 and 23 U.S.C. 203).....		85,000	
69 Permanent contract authorization (76 Stat. 1145; 78 Stat. 397; 23 U.S.C. 203).....	85,000		85,000
Relation of obligations to expenditures:			
10 Total obligations.....	77,282	94,872	97,635
70 Receipts and other offsets (items 11-17).....	-12,001	-13,141	-13,400
71 Obligations affecting expenditures.....	65,281	81,731	84,235
Obligated balance, start of year:			
72.40 Cash.....	9,148	13,436	
72.49 Contract authorization.....	15,703	17,783	28,042
Obligated balance, end of year:			
74.40 Cash.....	-13,436		
74.49 Contract authorization.....	-17,783	-28,042	-33,605
90 Expenditures excluding pay increase supplemental.....	58,913	83,736	78,672
91 Expenditures from civilian pay increase supplemental.....		1,172	

¹ Includes capital outlay as follows: 1964, \$42,473 thousand; 1965, \$46,000 thousand; 1966, \$51,000 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$18,766 thousand; 1964, \$23,735 thousand; 1965, \$30,000 thousand; 1966, \$30,000 thousand.

Status of Unfunded Contract Authorization (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Unfunded balance, start of year.....	86,164	107,964	121,491
Contract authorization.....	85,000	85,000	85,000
Unfunded balance, end of year.....	-107,964	-121,491	-127,819
Appropriation to liquidate contract authorization.....	63,200	70,300	78,672
Proposed supplemental due to civilian pay increases.....		1,172	

Roads and trails are essential to protection and management of national forests and utilization of their resources. The system consists of approximately 193,863 miles of earth- or gravel-surfaced roads and 104,656 miles of supplemental trails.

The Federal Highway Act of 1962 provides authorizations of \$70 million for 1964, and \$85 million for 1965. The Federal Highway Act of 1964 provides an additional authorization of \$85 million for 1966 and \$85 million for 1967. These authorizations are available for obligation a year in advance of the year for which authorized. The 1965 budget provided for utilization of \$72.5 million of the \$85 million 1965 authorization. This budget provides for utilization of \$81 million of the \$85 million 1966 authorization and \$3.2 million of the unused portion of the 1965 authorization. At this level, the 1966 program will involve the construction and reconstruction of about 934 miles of general purpose and recreation roads, and about 931 miles of timber access roads to harvest national forest timber, a total of approximately 1,865 miles. This compares with 1,524 miles built in 1964 and 1,900 miles being built in 1965.

Of the amounts received annually from national forest activities, 10% is available under the permanent appropriation Roads and trails for States, for construction and

maintenance within the State from which such proceeds are derived. Such amounts are merged with this appropriation for obligational purposes.

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-2262-0-1-402			
FOREST SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	20,376	23,183	23,800
11.3 Positions other than permanent.....	9,765	13,161	13,410
11.5 Other personnel compensation.....	561	714	700
Total personnel compensation.....	30,701	37,058	37,910
12.0 Personnel benefits.....	2,146	2,611	2,670
21.0 Travel and transportation of persons.....	1,879	2,281	2,320
22.0 Transportation of things.....	2,401	2,878	2,900
23.0 Rent, communications, and utilities.....	1,262	1,470	1,500
24.0 Printing and reproduction.....	310	343	350
25.1 Other services.....	8,740	13,078	13,200
25.2 Services of other agencies.....	1,099	1,621	1,620
26.0 Supplies and materials.....	5,345	6,247	6,250
31.0 Equipment.....	1,911	2,180	2,200
32.0 Lands and structures.....	20,641	24,330	25,500
42.0 Insurance claims and indemnities.....	18	11	
Subtotal.....	76,453	94,108	96,420
95.0 Quarters and subsistence charges.....	-258	-279	-285
Total obligations, Forest Service.....	76,195	93,829	96,135
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	115	122	124
11.3 Positions other than permanent.....	7	7	7
11.5 Other personnel compensation.....	3	3	3
Total personnel compensation.....	125	132	134
12.0 Personnel benefits.....	9	10	10
21.0 Travel and transportation of persons.....	42	42	42
22.0 Transportation of things.....	4	4	4
23.0 Rent, communications, and utilities.....	2	2	2
24.0 Printing and reproduction.....	1	1	1
25.1 Other services.....	63	63	63
25.2 Services of other agencies.....	57	57	57
32.0 Lands and structures.....	784	732	1,187
Total obligations, allotment accounts.....	1,087	1,043	1,500
99.0 Total obligations.....	77,282	94,872	97,635
Obligations are distributed as follows:			
Agriculture, Forest Service.....	76,195	93,829	96,135
General Services Administration.....	33		
Commerce, Bureau of Public Roads.....	1,054	1,043	1,500

Personnel Summary

FOREST SERVICE			
Total number of permanent positions.....	3,392	3,561	3,645
Full-time equivalent of other positions.....	2,266	2,915	2,960
Average number of all employees.....	5,265	6,140	6,265
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	36	36	36
Full-time equivalent of other positions.....	2	2	2
Average number of all employees.....	20	20	20
Average GS grade.....	8.9	8.9	8.9
Average GS salary.....	\$8,635	\$9,111	\$9,229

FOREST SERVICE—Continued**General and special funds—Continued****ACCESS ROADS****Program and Financing (in thousands of dollars)**

Identification code 05-96-1121-0-1-402	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Access roads (program costs, funded) ¹	1,484	1,374	-----
Change in selected resources ²	-1,210	-527	-----
10 Total obligations.....	274	847	-----
Financing:			
17 Recovery of prior year obligations.....	-72	-----	-----
21 Unobligated balance available, start of year.....	-1,121	-847	-----
24 Unobligated balance available, end of year.....	847	-----	-----
25 Unobligated balance lapsing.....	72	-----	-----
New obligational authority.....	-----	-----	-----
Relation of obligations to expenditures:			
10 Total obligations.....	274	847	-----
70 Receipts and other offsets (items 11-17).....	-72	-----	-----
71 Obligations affecting expenditures.....	202	847	-----
72 Obligated balance, start of year.....	1,974	572	-----
74 Obligated balance, end of year.....	-572	-----	-----
90 Expenditures.....	1,604	1,419	-----

¹ Includes capital outlay as follows: 1964, \$362 thousand; 1965, \$1,000 thousand; 1966, \$0.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$1,809 thousand (1964 adjustments, -\$72 thousand); 1964, \$527 thousand; 1965, \$0.

Full or partial interest in existing roads or rights-of-way is purchased (or obtained by condemnation if purchase negotiations fail) to provide access to national forest areas where road access is a serious problem.

Object Classification (in thousands of dollars)

Identification code 05-96-1121-0-1-402	1964 actual	1965 estimate	1966 estimate
21.0 Travel and transportation of persons.....	1	-----	-----
25.1 Other services.....	6	-----	-----
32.0 Lands and structures.....	267	847	-----
99.0 Total obligations.....	274	847	-----

ACQUISITION OF LANDS FOR NATIONAL FORESTS**SUPERIOR NATIONAL FOREST****Program and Financing (in thousands of dollars)**

Identification code 05-96-1118-0-1-402	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Acquisition of lands for Superior National Forest (program costs, funded) ¹	935	999	-----
Change in selected resources ²	-333	-460	-----
10 Total obligations.....	602	539	-----
Financing:			
21 Unobligated balance available, start of year.....	-1,142	-539	-----
24 Unobligated balance available, end of year.....	539	-----	-----
New obligational authority.....	-----	-----	-----

Program and Financing (in thousands of dollars)—Continued

Identification code 05-96-1118-0-1-402	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	602	539	-----
72 Obligated balance, start of year.....	795	462	-----
74 Obligated balance, end of year.....	-462	-----	-----
90 Expenditures.....	936	1,001	-----

¹ Includes capital outlay costs of: 1964, \$888 thousand; 1965, \$895 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$793 thousand; 1964, \$460 thousand; 1965, \$0.

As of June 30, 1964 approximately 9,800 acres of land remain to be acquired to preserve the wilderness conditions of part of the Superior National Forest in Minnesota. The authorization for the purchase of land within this forest was increased to \$4.5 million by Public Law 87-351, approved October 4, 1961. The 1963 appropriation completed the authorization for acquisition of the remaining tracts.

Object Classification (in thousands of dollars)

Identification code 05-96-1118-0-1-402	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	33	23	-----
11.3 Positions other than permanent.....	4	-----	-----
Total personnel compensation.....	37	23	-----
12.0 Personnel benefits.....	3	2	-----
21.0 Travel and transportation of persons.....	3	2	-----
25.1 Other services.....	6	3	-----
25.2 Services of other agencies.....	2	-----	-----
32.0 Lands and structures.....	551	509	-----
99.0 Total obligations.....	602	539	-----

Personnel Summary

Total number of permanent positions.....	4	3	0
Full-time equivalent of other positions.....	1	0	0
Average number of all employees.....	5	3	0
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767

SPECIAL ACTS**(Special fund)**

For acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the following national forests, in accordance with the provisions of the following Acts, authorizing annual appropriations of forest receipts for such purposes, and in not to exceed the following amounts from such receipts, Cache National Forest, Utah, Act of May 11, 1938 (52 Stat. 347), as amended, \$10,000; Uinta and Wasatch National Forests, Utah, Act of August 26, 1935 (49 Stat. 866), as amended, \$20,000; Toiyabe National Forest, Nevada, Act of June 25, 1938 (52 Stat. 1205), as amended, \$8,000; Angeles National Forest, California, Act of June 11, 1940 (54 Stat. 299), \$8,000; Cleveland National Forest in San Diego County, California, Act of June 11, 1940 (54 Stat. 297-298), \$8,000; San Bernardino and Cleveland National Forests in Riverside County, California, Act of June 15, 1938 (52 Stat. 699), \$8,000; Sequoia National Forest, California, Act of June 17, 1940 (54 Stat. 402), \$8,000; \$32,000; in all, \$70,000: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of the national forests and/or for the acquisition of any land without the approval of the local government concerned. (*Department of the Interior and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code 05-96-5208-0-2-402	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Cache National Forest, Utah.....	2	40	10
2. Uinta and Wasatch National Forests, Utah.....	5	32	20
3. Toiyabe National Forest, Nevada.....		8	8
4. Angeles National Forest, California.....		11	
5. Cleveland National Forest (San Diego County), California.....	8	8	
6. San Bernardino-Cleveland National For- est (Riverside County), California.....		16	
7. Sequoia National Forest, California.....		8	32
Total program costs, funded ¹	15	123	70
Change in selected resources ²	31	-53	
10 Total obligations.....	46	70	70
Financing:			
25 Unobligated balance lapsing.....	24		
40 New obligational authority (appropri- ation).....	70	70	70
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	46	70	70
72 Obligated balance, start of year.....	35	62	62
74 Obligated balance, end of year.....	-62	-62	-62
90 Expenditures.....	19	70	70

¹ Includes capital outlay costs of: 1964, \$10 thousand; 1965, \$117 thousand; 1966, \$64 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$22 thousand; 1964, \$53 thousand; 1965, \$0; 1966, \$0.

On the basis of agreements with certain counties in Utah, Nevada, and California, National Forest receipts, including the portions which would normally be paid to county road and school funds, are used for purchase by the Government of privately owned lands within the National Forests to aid in the control of soil erosion and flood damage.

Object Classification (in thousands of dollars)

Identification code 05-96-5208-0-2-402	1964 actual	1965 estimate	1966 estimate
11.1 Personnel compensation: Permanent posi- tions.....	4	6	6
25.1 Other services.....	1		
32.0 Lands and structures.....	41	64	64
99.0 Total obligations.....	46	70	70

Personnel Summary

Total number of permanent positions.....	1	1	1
Average number of all employees.....	0	1	1
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767

CACHE NATIONAL FOREST

Program and Financing (in thousands of dollars)

Identification code 05-96-1120-0-1-402	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Acquisition of lands for Cache National Forest (program costs, funded) ¹	65	40	
Change in selected resources ²	-40	-14	
10 Total obligations (object class 32.0).....	25	26	
Financing:			
21 Unobligated balance available, start of year.....	-51	-26	
24 Unobligated balance available, end of year ..	26		
New obligational authority			
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	25	26	
72 Obligated balance, start of year.....	55	14	
74 Obligated balance, end of year.....	-14		
90 Expenditures.....	65	40	

¹ Includes capital outlay as follows: 1964, \$65 thousand; 1965, \$40 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$55 thousand; 1964, \$14 thousand; 1965, \$0.

Lands are acquired within the Cache National Forest, Utah, to enable control and minimization of soil erosion and flood damage.

[ACQUISITION OF LANDS FOR WASATCH NATIONAL FOREST]

[For the acquisition of land in the Wasatch National Forest, Utah, in accordance with the Act of September 14, 1962 (76 Stat. 545-546), \$150,000, to remain available until expended.] (Department of the Interior and Related Agencies Appropriation Act, 1965.)

Program and Financing (in thousands of dollars)

Identification code 05-96-1123-0-1-402	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Acquisition of lands for Wasatch National Forest, Utah (program costs, funded) ¹	5	395	
Change in selected resources ²	175	-175	
10 Total obligations.....	180	220	
Financing:			
21 Unobligated balance available, start of year.....		-70	
24 Unobligated balance available, end of year ..	70		
40 New obligational authority (appropri- ation).....	250	150	
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	180	220	
72 Obligated balance, start of year.....		175	50
74 Obligated balance, end of year.....	-175	-50	
90 Expenditures.....	4	345	50

¹ Includes capital outlay as follows: 1964, \$5 thousand; 1965, \$385 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$0; 1964, \$175 thousand; 1965, \$0.

FOREST SERVICE—Continued**General and special funds—Continued****【ACQUISITION OF LANDS FOR WASATCH NATIONAL FOREST】—Con.**

Public Law 87-661, approved September 14, 1962, added some 24,000 acres to the Wasatch National Forest in Utah, of which only approximately 5,000 acres in scattered tracts are now in Federal ownership. The act authorizes the appropriation of \$400 thousand for purchase of privately owned lands within the area to aid in the control of floods and reduction of soil erosion as the primary value of these lands is for watershed purposes. The 1965 appropriation completed the authorization. As of June 30, 1964, approximately 8,000 acres of land have been acquired.

Object Classification (in thousands of dollars)

Identification code 05-96-1123-0-1-402	1964 actual	1965 estimate	1966 estimate
11.1 Personnel compensation: Permanent positions.....	4	4	
32.0 Lands and structures.....	175	216	
99.0 Total obligations.....	180	220	
Personnel Summary			
Total number of permanent positions.....	1	1	0
Average number of all employees.....	1	1	0
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767

ASSISTANCE TO STATES FOR TREE PLANTING

For expenses necessary to carry out section 401 of the Agricultural Act of 1956, approved May 28, 1956 (16 U.S.C. 568e), \$1,000,000 to remain available until expended. (*Department of the Interior and Related Agencies Appropriation Act, 1965.*)

Program and Financing (in thousands of dollars)

Identification code 05-96-1101-0-1-402	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Tree planting assistance (program costs, funded) ¹	1,017	1,018	1,000
Change in selected resources ²	-20		
10 Total obligations.....	998	1,018	1,000
Financing:			
21 Unobligated balance available, start of year.....	-15	-18	
24 Unobligated balance available, end of year.....	18		
40 New obligational authority (appropriation).....	1,000	1,000	1,000
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	998	1,018	1,000
72 Obligated balance, start of year.....	321	322	325
74 Obligated balance, end of year.....	-322	-325	-325
90 Expenditures.....	997	1,015	1,000

¹ Includes capital outlay as follows: 1964, \$6 thousand; 1965, \$3 thousand; 1966, \$3 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$76 thousand; 1964, \$56 thousand; 1965, \$56 thousand; 1966, \$56 thousand.

To carry out section 401 of the Agricultural Act of 1956, assistance is given to the State forester or other State official, through technical advice and financial contribution, to carry out tree planting and reforestation work in accordance with plans submitted by the State and approved by the Secretary of Agriculture.

Object Classification (in thousands of dollars)

Identification code 05-96-1101-0-1-402	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	112	118	118
11.3 Positions other than permanent.....	3	5	5
Total personnel compensation.....	115	123	123
12.0 Personnel benefits.....	8	9	9
21.0 Travel and transportation of persons.....	19	19	19
22.0 Transportation of things.....	1	3	1
23.0 Rent, communications, and utilities.....	5	5	4
24.0 Printing and reproduction.....		1	1
25.1 Other services.....	1	6	1
25.2 Services of other agencies.....	1	1	
26.0 Supplies and materials.....		2	1
31.0 Equipment.....	6	2	1
41.0 Grants, subsidies, and contributions.....	842	847	840
99.0 Total obligations.....	998	1,018	1,000

Personnel Summary

Total number of permanent positions.....	14	13	13
Average number of all employees.....	14	13	13
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations [available] to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed one hundred and [twenty-nine] *twenty-six* passenger motor vehicles of which one hundred and [fourteen] *one* shall be for replacement only, and hire of such vehicles; operation and maintenance of aircraft and the purchase of not to exceed six for replacement only; (b) employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), [as amended by] *and not to exceed \$50,000 for employment under* section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in an amount not to exceed \$25,000; (c) uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); (d) purchase, erection, and alteration of buildings and other public improvements (5 U.S.C. 565a); (e) expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U.S.C. 514); and (f) acquisition of land and interests therein for sites for administrative purposes, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a).

Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated to the Forest Service shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

Funds appropriated under this Act shall not be used for acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U.S.C. 513-519, 521), where such land is not within the boundaries of an established national forest or purchase unit nor shall these lands be acquired without approval of the local government concerned. (*Department of the Interior and Related Agencies Appropriation Act, 1965.*)

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations or allotments from other accounts are included in the schedule of the parent appropriations, as follows:
Funds appropriated to the President:

"Economic assistance."

"Public works acceleration."

Agriculture:

Agricultural Stabilization and Conservation Service: "Expenses."

Soil Conservation Service:

"Flood prevention."

"Watershed planning."

"Watershed protection."

"Great Plains conservation program."

"Resource conservation and development."

Interior:

Bureau of Land Management: "Oregon and California Grant Lands."

Bureau of Outdoor Recreation: "Land and Water Conservation Fund."

EXPENSES, BRUSH DISPOSAL

(Permanent, indefinite, special fund)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-5206-0-2-402			
Program by activities:			
Brush disposal (program costs, funded) ¹ ..	8,126	9,000	9,500
Change in selected resources ²	64		
10 Total obligations.....	8,190	9,000	9,500
Financing:			
21 Unobligated balance available, start of year..	-7,631	-8,972	-9,472
24 Unobligated balance available, end of year..	8,972	9,472	9,472
60 New obligatory authority (appropriation).....	9,531	9,500	9,500
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures)...	8,190	9,000	9,500
72 Obligated balance, start of year.....	909	844	844
74 Obligated balance, end of year.....	-844	-844	-844
90 Expenditures.....	8,255	9,000	9,500

¹ Includes capital outlay as follows: 1964, \$301 thousand; 1965, \$310 thousand; 1966, \$350 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$223 thousand; 1964, \$287 thousand; 1965, \$287 thousand; 1966, \$287 thousand.

Payments made for this purpose by purchasers of National Forest timber are used to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-5206-0-2-402			
Personnel compensation:			
11.1 Permanent positions.....	2,545	3,022	3,025
11.3 Positions other than permanent.....	2,692	2,886	3,175
11.5 Other personnel compensation.....	427	500	565
Total personnel compensation.....	5,664	6,408	6,765
12.0 Personnel benefits.....	325	365	391
21.0 Travel and transportation of persons.....	77	82	85
22.0 Transportation of things.....	378	397	400
23.0 Rent, communications, and utilities.....	111	115	115
24.0 Printing and reproduction.....	13	15	15
25.1 Other services.....	890	900	918
25.2 Services of other agencies.....	180	190	200
26.0 Supplies and materials.....	330	350	395
31.0 Equipment.....	303	260	300
32.0 Lands and structures.....	43	45	45
42.0 Insurance claims and indemnities.....	2	2	2
Subtotal.....	8,316	9,129	9,631
95.0 Quarters and subsistence charges.....	-126	-129	-131
99.0 Total obligations.....	8,190	9,000	9,500

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
Total number of permanent positions.....	523	557	557
Full-time equivalent of other positions.....	676	700	769
Average number of all employees.....	1,110	1,172	1,241
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767

ROADS AND TRAILS FOR STATES, NATIONAL FORESTS FUND

(Permanent, indefinite, special)

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-5203-0-2-402			
Program by activities:			
10 Advanced to Forest roads and trails (costs—obligations) (object class 25.3)...	12,001	13,141	13,400
Financing:			
60 New obligatory authority (appropriation)...	12,001	13,141	13,400
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures)...	12,001	13,141	13,400
90 Expenditures.....	12,001	13,141	13,400

OTHER FOREST SERVICE PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-9999-0-2-402			
Program by activities:			
1. Forest fire prevention.....	27	32	37
2. Restoration of forest lands and improve- ments.....	22	119	100
3. Payment to Minnesota.....	131	138	138
4. Payments to counties, national grass- lands.....	455	450	450
5. Payments to school funds, Arizona and New Mexico.....	100	108	110
6. Payments to States, national forests fund.....	29,994	32,837	33,540
Total program costs, funded.....	30,729	33,684	34,375
Change in selected resources ¹	-1		
10 Total obligations.....	30,729	33,684	34,375
Financing:			
21 Unobligated balance available, start of year..	-38	-63	-37
24 Unobligated balance available, end of year..	63	37	30
60 New obligatory authority (appropriation).....	30,754	33,658	34,368
New obligatory authority is distributed as follows:			
Forest fire prevention.....	54	25	30
Restoration of forest lands and improve- ments.....	20	100	100
Payment to Minnesota.....	131	138	138
Payments to counties, National Grasslands.....	455	450	450
Payments to school funds, Arizona and New Mexico.....	100	108	110
Payments to States, National Forests Fund.....	29,994	32,837	33,540

FOREST SERVICE—Continued**General and special funds—Continued****OTHER FOREST SERVICE PERMANENT APPROPRIATIONS—Con.****Program and Financing (in thousands of dollars)—Continued**

Identification code 05-96-9999-0-2-402	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	30,729	33,684	34,375
72 Obligated balance, start of year.....	2	6	6
74 Obligated balance, end of year.....	-6	-6	-6
90 Expenditures.....	30,725	33,684	34,375
Expenditures are distributed as follows:			
Forest fire prevention.....	22	32	37
Restoration of forest lands and improve- ments.....	22	119	100
Payment to Minnesota.....	131	138	138
Payments to counties, National Grasslands.....	455	450	450
Payments to school funds, Arizona and New Mexico.....	100	108	110
Payments to States, National Forests Fund.....	29,994	32,837	33,540

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$1 thousand; 1964, \$0; 1965, \$0.

1. *Forest fire prevention.*—Fees for the use of the character "Smokey Bear" by private enterprises are collected under regulations promulgated by the Secretary and are available for furthering the nationwide forest fire prevention campaign (18 U.S.C. 711).

2. *Restoration of forest lands and improvements.*—Funds received from settlement of claims involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement or forfeiture (16 U.S.C. 579c).

3. *Payment to Minnesota.*—At the close of each fiscal year the State of Minnesota is paid 0.75% of the appraised value of certain Superior National Forest lands in the counties of Cook, Lake, and St. Louis for distribution to these counties (16 U.S.C. 577g).

4. *Payments to counties, national grasslands.*—Of the revenues received from the use of national grasslands, 25% is paid to the counties in which such land is situated for school and road purposes (7 U.S.C. 1012).

5. *Payments to school funds, Arizona and New Mexico.*—The States of Arizona and New Mexico are paid a share of the national forest receipts for school purposes (36 Stat. 562, 573).

6. *Payments to States, national forests fund.*—With minor exceptions, 25% of the money received from the national forests is paid to the States for public schools and roads of the county in which such forests are situated (16 U.S.C. 500).

Object Classification (in thousands of dollars)

Identification code 05-96-9999-0-2-402	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	9	33	33
11.3 Positions other than permanent.....	8	22	22
Total personnel compensation.....	17	55	55
12.0 Personnel benefits.....	1	3	3
21.0 Travel and transportation of persons.....	1	2	2
22.0 Transportation of things.....	1	3	3
23.0 Rent, communications, and utilities.....	13	10	10

Object Classification (in thousands of dollars)—Continued

Identification code 05-96-9999-0-2-402	1964 actual	1965 estimate	1966 estimate
24.0 Printing and reproduction.....		5	5
25.1 Other services.....	9	50	36
25.2 Services of other agencies.....		3	3
26.0 Supplies and materials.....	5	18	18
31.0 Equipment.....		2	2
41.0 Grants, subsidies, and contributions.....	30,681	33,533	34,238
44.0 Refunds.....	1		
99.0 Total obligations.....	30,729	33,684	34,375

Personnel Summary

Total number of permanent positions.....	3	4	4
Full-time equivalent of other positions.....	2	5	5
Average number of all employees.....	4	9	9
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767

Intragovernmental funds:**ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

Identification code 05-96-3911-0-4-402	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Repair of equipment and sale of supplies, materials, equipment, and services to other activities of the Forest Service; the Departments of Agriculture, Commerce and Interior; Civil Service Commission; Air Force; and other agencies.....	783	600	600
2. Construction and maintenance of roads, trails, and other improvements.....	755	1,030	1,920
3. Forest fire protection and suppression.....	591	1,960	1,960
4. Surveys, land appraisals, mapping, cruising timber, and preparation of timber management plans, snow scale readings, etc., on national forest and other lands.....	244	400	400
5. Insect and disease control.....	157	200	200
6. Forest research at experimental forests and ranges.....	341	500	500
7. Investigations at Forest Products Laboratory.....	381	650	650
8. Cooperation in forest fire control, forest management and processing, and forest tree planting.....	373	950	950
9. Area Redevelopment Program (Commerce):			
Technical assistance.....	50	45	40
Operations.....	58	63	60
10. Defense preparedness planning (Defense).....	565	772	700
Total program costs, funded ¹	4,298	7,170	7,980
Changes in selected resources ²	-61	394	-400
10 Total obligations.....	4,237	7,564	7,580
Financing:			
Receipts and reimbursements from:			
11 Administrative budget accounts.....	-3,516	-6,252	-6,380
14 Non-Federal sources ³	-834	-1,200	-1,200
17 Recovery of prior year obligations.....	-1		
21.98 Unobligated balance available, start of year.....		-112	

Program and Financing (in thousands of dollars)—Continued

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-3911-0-4-402			
Financing—Continued			
24.98 Unobligated balance available, end of year.....	112	-----	-----
25 Unobligated balance lapsing.....	3	-----	-----
New obligational authority.....	-----	-----	-----
Relation of obligations to expenditures:			
10 Total obligations.....	4,237	7,564	7,580
70 Receipts and other offsets (items 11-17).....	-4,351	-7,452	-7,580
71 Obligations affecting expenditures.....	-114	112	-----
72.98 Obligated balance, start of year.....	4	154	743
74.98 Obligated balance, end of year.....	-154	-743	-343
77 Adjustments in expired accounts.....	-1	-----	-----
90 Expenditures.....	-264	-477	400

¹ Includes capital outlay as follows: 1964, \$387 thousand; 1965, \$1,000 thousand; 1966, \$1,000 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964 adjust- ments	1964	1965	1966
Unpaid undelivered orders.....	392	18	343	743	343
Advances.....	---	---	6	---	---
Total selected resources.....	392	18	349	743	343

³ Reimbursements from non-Federal sources above are primarily for sale of equipment, supplies, and materials; costs of suppressing forest fires on State and private forest lands adjacent to, or intermingled with, national forests under terms of written cooperative agreements (16 U.S.C. 572, 580, 580a); and sale of personal property (40 U.S.C. 481(c)).

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-3911-0-4-402			
Personnel compensation:			
11.1 Permanent positions.....	1,473	2,300	2,300
11.3 Positions other than permanent.....	484	660	740
11.4 Special personal service payments.....	15	18	18
11.5 Other personnel compensation.....	125	142	142
Total personnel compensation.....	2,097	3,120	3,200
12.0 Personnel benefits.....	132	215	220
21.0 Travel and transportation of persons.....	153	195	200
22.0 Transportation of things.....	155	200	200
23.0 Rent, communications, and utilities.....	90	110	110
24.0 Printing and reproduction.....	29	40	40
25.1 Other services.....	548	1,784	1,760
25.2 Services of other agencies.....	116	200	200
26.0 Supplies and materials.....	405	950	900
31.0 Equipment.....	253	500	500
32.0 Lands and structures.....	135	150	150
41.0 Grants, subsidies, and contributions.....	126	100	100
Subtotal.....	4,239	7,564	7,580
95.0 Quarters and subsistence charges.....	-2	-----	-----
99.0 Total obligations.....	4,237	7,564	7,580

Personnel Summary

Total number of permanent positions.....	222	320	320
Full-time equivalent of other positions.....	129	178	178
Average number of all employees.....	336	485	485
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-4605-0-4-402			
Program by activities:			
Operating costs, funded:			
1. Equipment service.....	10,778	11,321	15,090
2. Aircraft service.....	490	418	448
3. Supply service.....	6,517	7,164	7,247
4. Nurseries.....	1,699	1,777	1,865
Total operating costs, funded.....	19,484	20,680	24,650
Capital outlay, funded:			
1. Equipment service.....	4,719	4,541	5,000
2. Aircraft service.....	---	---	50
3. Supply service.....	21	28	30
4. Nurseries.....	7	11	10
Total capital outlay, funded.....	4,747	4,580	5,090
Total program costs, funded.....	24,231	25,260	29,740
Change in selected resources ¹.....	117	313	-----
10 Total obligations.....	24,348	25,573	29,740
Financing:			
Receipts and reimbursement from:			
11 Administrative budget accounts:			
Revenue:			
Equipment service.....	-13,540	-14,721	-18,850
Aircraft service.....	-631	-412	-450
Supply service.....	-6,622	-7,298	-7,300
Nurseries.....	-1,936	-2,112	-1,900
Income provision for increased cost of equipment replacements.....	-1,065	-805	-725
Donated working capital.....	-34	-561	-----
Increase (-) or decrease in unfilled customer orders.....	151	-93	-----
14 Non-Federal sources: Proceeds from sale of equipment.....	-831	-834	-850
21.98 Unobligated balance available, start of year.....	-819	-979	-2,242
24.98 Unobligated balance available, end of year.....	979	2,242	2,577
New obligational authority.....	-----	-----	-----
Relation of obligations to expenditures:			
10 Total obligations.....	24,348	25,573	29,740
70 Receipts and other offsets (items 11-17).....	-24,508	-26,836	-30,075
71 Obligations affecting expenditures.....	-160	-1,263	-335
72.98 Obligated balance, start of year.....	1,591	2,349	2,008
74.98 Obligated balance, end of year.....	-2,349	-2,008	-2,008
90 Expenditures.....	-918	-922	-335

¹ Balances of selected resources are identified on the statement of financial condition.

This fund finances on a reimbursable basis various services such as repairing and replacing equipment, including aircraft, stocking and issuing supplies, operation of subsistence camps, operation of sign shops, photographic and reproduction facilities, and tree nurseries in support of programs of the Forest Service (16 U.S.C. 579b, as amended). These service operations serve programs of fire protection, timber utilization, construction and maintenance of roads and other improvements, reforestation, grazing, watershed, forest and forest products research, and kindred conservation activities of the Forest Service,

FOREST SERVICE—Continued**Intragovernmental funds—Continued****WORKING CAPITAL FUND—Continued**

including cooperative assistance with other Federal agencies, States, counties, and individuals engaged in the same objectives.

Operating results and financial condition.—Government investment in the fund as of June 30, 1964, including donated assets and retained earnings for fiscal year 1964, is \$31,141 thousand. By the end of 1966 the investment is anticipated to be \$36,408 thousand, an increase of \$5,267 thousand which represents estimated earnings and donations during 1965 and 1966.

Receipts, nonoperating income, and retained earnings include an estimated \$3,558 thousand as of June 30, 1966, identified as Income provision for increased cost of equipment replacements to be used only for financing the increased cost of equipment replacement, i.e., the difference between the cost of the replacement unit and the cost at the time of acquisition of the unit being replaced. This increased cost is due to inflation and model improvement, and must be financed if the fleet strength is to be maintained and not depleted through the gradual attrition of price increases for replacements. The earnings for the provision for increased cost of replacements are derived from a factor which is included for this purpose in rental rates charged to program appropriations for equipment use and credited to the working capital fund.

Retained earnings as of June 30, 1966, will total an estimated \$7,300 thousand which will consist of \$2,657 thousand gain on sale of equipment, \$1,085 thousand profit from operations, and \$3,558 thousand for provision for increased cost of replacement of equipment. Retained earnings have been applied toward increased cost of equipment replacements, purchase of fleet additions, and to furnish adequate working capital.

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Equipment service:			
Revenue.....	13,540	14,721	18,850
Expense.....	14,623	15,205	19,200
Net loss, Equipment service.....	-1,083	-484	-350
Aircraft service:			
Revenue.....	631	412	450
Expense.....	477	433	450
Net operating income or loss, Aircraft service.....	154	-21	-----
Supply service:			
Revenue.....	6,622	7,298	7,300
Expense.....	6,629	7,237	7,300
Net operating income or loss, Supply service.....	-7	61	-----

Revenue, Expense, and Retained Earnings (in thousands of dollars)—Continued

	1964 actual	1965 estimate	1966 estimate
Nurseries:			
Revenue.....	1,936	2,112	1,900
Expense.....	1,938	1,826	1,900
Net operating income or loss, Nurseries.....	-2	286	-----
Nonoperating income or loss:			
Proceeds from sale of equipment.....	831	834	850
Net book value of assets sold.....	-679	-677	-700
Net gain or loss from sale of equipment.....	152	157	150
Income provision for increased cost of equipment replacements.....	1,065	805	725
Net nonoperating income.....	1,217	962	875
Net income for the year.....	279	804	525
Analysis of retained earnings:			
Retained earnings, start of year.....	5,692	5,971	6,775
Provision for increased cost of equipment replacements.....	-1,065	-805	-725
Reserve for equipment replacement.....	1,065	805	725
Retained earnings, end of year.....	5,971	6,775	7,300

Financial Condition (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Treasury balance.....	2,410	3,328	4,250	4,585
Accounts receivable, net.....	2,667	2,335	2,335	2,335
Selected assets: ¹				
Advances.....	5	3	3	3
Deferred charges, etc.....	17	13	13	13
Inventories.....	4,277	4,251	4,812	4,812
Fixed assets, net.....	22,827	24,967	26,426	28,416
Total assets.....	32,203	34,897	37,839	40,164
Liabilities:				
Current.....	3,629	3,756	3,756	3,756
Government equity:				
Non-interest-bearing capital:				
Start of year.....	21,402	22,882	25,170	27,308
Donated assets during the year:				
Fixed assets.....	785	2,021	1,577	1,800
Working capital, net.....	695	267	561	-----
End of year.....	22,882	25,170	27,308	29,108
Retained earnings.....	5,692	5,971	6,775	7,300
Total Government equity.....	28,574	31,141	34,083	36,408

Analysis of Government Equity (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Unpaid undelivered orders ¹	1,132	1,280	1,032	1,032
Unobligated balance.....	819	979	2,242	2,577
Unfilled customers orders.....	-503	-352	-445	-445
Invested capital and earnings.....	27,126	29,234	31,254	33,244
Total Government equity.....	28,574	31,141	34,083	36,408

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code 05-96-4605-0-4-402	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	5,260	5,608	6,500
11.3 Positions other than permanent.....	1,882	1,960	2,280
11.5 Other personnel compensation.....	118	121	120
Total personnel compensation.....	7,260	7,689	8,900
12.0 Personnel benefits.....	447	470	550
21.0 Travel and transportation of persons.....	190	207	240
22.0 Transportation of things.....	89	95	105
23.0 Rent, communications, and utilities.....	398	399	435
24.0 Printing and reproduction.....	61	62	70
25.1 Other services.....	1,675	2,316	3,350
26.0 Supplies and materials.....	9,411	9,755	11,000
31.0 Equipment.....	4,817	4,580	5,090
99.0 Total obligations.....	24,348	25,573	29,740

Personnel Summary

Total number of permanent positions.....	942	968	1,100
Full-time equivalent of other positions.....	448	463	544
Average number of all employees.....	1,298	1,342	1,564
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767

GENERAL PROVISIONS

SEC. 501. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed four hundred and [seventy-four] *seventy-two* passenger motor vehicles, of which four hundred and [fifty-two] *forty-eight* shall be for replacement only, and for the hire of such vehicles.

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriation for the Foreign Agricultural Service.

SEC. 503. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

SEC. 506. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts. (*Department of Agriculture and Related Agencies Appropriation Act, 1965.*)

Object Classification (in thousands of dollars)

Identification code 04-40-9999-0-7-152	1964 actual	1965 estimate	1966 estimate
11.5 Personnel compensation: Other personnel compensation.....	3	7	7
12.0 Personnel benefits.....	101	239	244
22.0 Transportation of things.....	2	2	1
26.0 Supplies and materials.....	16	6	3
99.0 Total obligations.....	122	254	255

INFORMATIONAL FOREIGN CURRENCY SCHEDULE

Advances From Foreign Governments

Program and Financing (in thousands of dollar equivalents)

	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Volunteer and project costs (obligations).....	237	741	1,016
Financing:			
Unobligated balance available, start of year....	-150	-200	-103
Adjustment due to changes in exchange rates (decrease).....	53		
Unobligated balance available, end of year.....	200	103	104
Authorization to spend foreign currency receipts: Permanent (75 Stat. 612).....	340	644	1,017
Relation of obligations to expenditures:			
Total obligations (affecting expenditures).....	237	741	1,016
Obligated balance, start of year.....	37	18	56
Obligated balance, end of year.....	-18	-56	-72
Expenditures.....	256	703	1,000

Foreign currency received from foreign governments is used to defray part of the cost of the Peace Corps.

Object Classification (in thousands of dollar equivalents)

	1964 actual	1965 estimate	1966 estimate
11.5 Personnel compensation: Other personnel compensation.....	1	1	1
12.0 Personnel benefits.....	125	480	775
21.0 Travel and transportation of persons.....	25	59	54
22.0 Transportation of things.....	3	4	4
23.0 Rent, communications, and utilities.....	21	57	54
25.0 Other services.....	24	73	67
26.0 Supplies and materials.....	12	10	9
31.0 Equipment.....	27	57	52
99.0 Total obligations.....	237	741	1,016

DEPOSIT FUNDS

Program and Financing (in thousands of dollars)

Identification code 04-98-6000-0-9-000	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
72 Obligated balance, start of year.....	39,272	29,342	23,161
74 Obligated balance, end of year.....	-29,342	-23,161	-24,542
90 Expenditures.....	9,930	6,181	-1,381

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

AGRICULTURAL RESEARCH SERVICE TRUST FUNDS

Note.—Appropriation includes \$27 thousand in 1965 and \$22 thousand in 1966 for activities previously carried under "Agricultural Marketing Service trust funds". The amounts obligated in 1964 are shown in the schedule as comparative transfers.

Program and Financing (in thousands of dollars)

Identification code 05-04-9999-0-7-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Expenses and refunds, inspection and grading of farm products:			
(a) Inspection and certification of animal foods and inedible agricultural products in interstate and foreign commerce.....	122	140	137
(b) Identification and certification service for meat and other products.....	492	475	475
(c) Contract specification work on meat and meat food products.....	1,419	1,545	1,545
(d) Food inspection service (meat and meat food products).....	5	6	6
2. Expenses, feed, and attendants for animals in quarantine.....	61	72	70
3. Miscellaneous contributed funds.....	921	1,725	1,667
4. Prior year advances returned.....	42	12	
Total program costs, funded ¹	3,063	3,975	3,900
Change in selected resources ²	20		
10 Total obligations.....	3,083	3,975	3,900
Financing:			
16 Comparative transfers from other accounts.....	-72		
21 Unobligated balance available, start of year.....	-191	-165	-210
24 Unobligated balance available, end of year.....	165	210	186
60 New obligational authority (appropriation).....	2,985	4,020	3,876
New obligational authority is distributed as follows:			
Expenses and refunds, inspection and grading of farm products.....	1,947	2,362	2,162
Expenses, feed, and attendants for animals in quarantine.....	65	70	70
Miscellaneous contributed funds.....	974	1,588	1,644
Relation of obligations to expenditures:			
10 Total obligations.....	3,083	3,975	3,900
70 Receipts and other offsets (items 11-17).....	-72		
71 Obligations affecting expenditures.....	3,011	3,975	3,900
72 Obligated balance, start of year.....	134	250	454
74 Obligated balance, end of year.....	-250	-454	-484
90 Expenditures.....	2,895	3,771	3,870
Expenditures are distributed as follows:			
Expenses and refunds, inspection and grading of farm products.....	1,964	2,140	2,160
Expenses, feed, and attendants for animals in quarantine.....	58	71	70
Miscellaneous contributed funds.....	874	1,560	1,640

¹ Includes capital outlay as follows: 1964, \$21 thousand; 1965, \$56 thousand; 1966, \$31 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$18 thousand; 1964, \$38 thousand; 1965, \$38 thousand; 1966, \$38 thousand.

DEPARTMENT OF AGRICULTURE—Continued**AGRICULTURAL RESEARCH SERVICE—Continued****AGRICULTURAL RESEARCH SERVICE TRUST FUNDS—Continued**

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, organizations, individuals, and others.

1. *Expenses and refunds, inspection and grading of farm products* provide for (a) inspection and certification of animal foods and inedible agricultural products in interstate and foreign commerce; (b) identification and marking of divided portions of meat, meat byproducts, and meat food products for human consumption, which have been previously federally inspected and so marked, in order that divided portions will bear Federal marks; (c) examination of meat and meat food products in federally inspected meatpacking plants for compliance with contract specifications; and (d) a food inspection service covering any article of human food derived wholly or in part from meat, meat byproducts or meat food products not subject to the Federal meat inspection laws but for which the mark of Federal meat inspection is requested (7 U.S.C. 1622h, 1624).

2. *Expenses, feed and attendants for animals in quarantine* are paid from fees advanced by importers (21 U.S.C. 102).

3. *Miscellaneous contributed funds* received from States, local organizations, individuals, and others are available for work under cooperative agreements on miscellaneous farm, utilization, and marketing research activities, plant quarantine inspection, and cooperative plant pest control activities (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

Identification code 05-04-9999-0-7-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions.....	469	342	356
11.3 Positions other than permanent.....	36	42	31
11.5 Other personnel compensation.....	38	35	37
Total personnel compensation.....	543	419	424
12.0 Personnel benefits.....	38	29	31
21.0 Travel and transportation of persons.....	64	69	65
22.0 Transportation of things.....	3	3	3
23.0 Rent, communications, and utilities.....	11	7	6
24.0 Printing and reproduction.....	3	3	3
25.1 Other services.....	45	317	290
25.2 Services of other agencies.....	2,090	2,234	2,227
26.0 Supplies and materials.....	212	837	820
31.0 Equipment.....	32	45	31
44.0 Refunds.....	42	12	-----
99.0 Total obligations.....	3,083	3,975	3,900

Personnel Summary

Total number of permanent positions.....	40	39	39
Full-time equivalent of other positions.....	9	9	6
Average number of all employees.....	75	55	54
Average GS grade.....	8.1	8.3	8.2
Average GS salary.....	\$7,737	\$8,135	\$8,130
Average salary of ungraded positions.....	\$4,867	\$4,878	\$4,868

EXTENSION SERVICE**MISCELLANEOUS CONTRIBUTED FUNDS****Program and Financing (in thousands of dollars)**

Identification code 05-12-8200-0-7-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
10 Miscellaneous contributed funds (costs—obligations) (object class 21.0).....	5	5	5
Financing:			
60 New obligational authority (appropriation) ..	5	5	5
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	5	5	5
72 Obligated balance, start of year.....	1	1	1
74 Obligated balance, end of year.....	-1	-1	-1
90 Expenditures.....	5	5	5

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

These funds represent reimbursements for the travel expenses of F.E.S. employees conducting program training sessions.

FARMER COOPERATIVE SERVICE**MISCELLANEOUS CONTRIBUTED FUNDS****Program and Financing (in thousands of dollars)**

Identification code 05-16-8200-0-7-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Miscellaneous contributed fund (program costs, funded).....	4	2	-----
Change in selected resources ¹	7	-----	-----
10 Total obligations.....	11	2	-----
Financing:			
60 New obligational authority (appropriation) ..	11	2	-----
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	11	2	-----
72 Obligated balance, start of year.....	-----	7	-----
74 Obligated balance, end of year.....	-7	-----	-----
90 Expenditures.....	4	9	-----

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$0; 1964, \$7 thousand; 1965, \$0; 1966, \$0.

Miscellaneous funds received from States, local organizations, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

Identification code 05-16-8200-0-7-355	1964 actual	1965 estimate	1966 estimate
21.0 Travel and transportation of persons.....	-----	2	-----
25.1 Other services.....	11	-----	-----
99.0 Total obligations.....	11	2	-----

SOIL CONSERVATION SERVICE

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-20-8200-0-7-354	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Miscellaneous contributed funds (program costs, funded)	626	792	845
Change in selected resources ¹	-1	7	5
10 Total obligations	625	799	850
Financing:			
21 Unobligated balance available, start of year ..	-45	-101	-100
24 Unobligated balance available, end of year ..	101	100	100
60 New obligational authority (appropriation)	681	798	850
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	625	799	850
72 Obligated balance, start of year	85	111	120
74 Obligated balance, end of year	-111	-120	-130
90 Expenditures	599	790	840

¹ Selected resources as of June 30, are as follows: Unpaid undelivered orders, 1963, \$59 thousand; 1964, \$58 thousand; 1965, \$65 thousand; 1966, \$70 thousand.

Miscellaneous contributed funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

Identification code 05-20-8200-0-7-354	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions	403	534	560
11.3 Positions other than permanent	35	65	70
11.5 Other personnel compensation	2	1	1
Total personnel compensation	440	600	631
12.0 Personnel benefits	33	46	48
21.0 Travel and transportation of persons	40	47	50
22.0 Transportation of things	9	8	10
23.0 Rent, communications, and utilities	5	4	5
24.0 Printing and reproduction	7	8	10
25.1 Other services	5	26	19
25.2 Services of other agencies	2	3	3
25.3 Watershed construction contracts	42	41	58
26.0 Supplies and materials	8	12	12
31.0 Equipment	3	4	4
44.0 Refunds	31		
99.0 Total obligations	625	799	850

Personnel Summary

Total number of permanent positions	64	70	73
Full-time equivalent of other positions	9	15	16
Average number of all employees	64	83	87
Average GS grade	7.7	7.7	7.8
Average GS salary	\$7,250	\$7,551	\$7,627

ECONOMIC RESEARCH SERVICE

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-24-8200-0-7-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
Miscellaneous contributed funds (program costs, funded)	58	98	95
Changes in selected resources ¹	3	-3	
10 Total obligations	61	95	95
Financing:			
21 Unobligated balance available, start of year ..	-1	-2	
24 Unobligated balance available, end of year ..	2		
60 New obligational authority (appropriation)	62	93	95
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	61	95	95
72 Obligated balance, start of year	1	3	
74 Obligated balance, end of year	-3		
90 Expenditures	59	98	95

¹ Selected resources as of June 30 are as follows: unpaid undelivered orders, 1963, \$0; 1964, \$3 thousand; 1965, \$0; 1966, \$0.

Miscellaneous funds received from States, local organizations, and others are available for economic research and analysis under cooperative agreements (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

Identification code 05-24-8200-0-7-355	1964 actual	1965 estimate	1966 estimate
11.1 Personnel compensation: Permanent positions	45	50	50
12.0 Personnel benefits	4	4	4
21.0 Travel and transportation of persons	8	11	11
25.1 Other services	4	30	30
99.0 Total obligations	61	95	95

Personnel Summary

Total number of permanent positions	5	6	6
Average number of all employees	5	6	6
Average GS grade	8.9	9.0	9.1
Average GS salary	\$8,466	\$8,983	\$9,020

STATISTICAL REPORTING SERVICE

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-28-8200-0-7-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
10 Miscellaneous contributed funds (costs—obligations) (object class 11.1)	6	4	
Financing:			
21 Unobligated balance available, start of year ..		-4	

DEPARTMENT OF AGRICULTURE—Continued

STATISTICAL REPORTING SERVICE—Continued

MISCELLANEOUS CONTRIBUTED FUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-28-8200-0-7-355	1964 actual	1965 estimate	1966 estimate
Financing—Continued			
24 Unobligated balance available, end of year	4		
60 New obligational authority (appropriations)	10		
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures)	6	4	
90 Expenditures	6	4	

Miscellaneous funds received from States, local organizations, individuals, and others are available for crop survey work under cooperative agreement (5 U.S.C. 67, 563).

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
Average number of all employees	1	0	0
Average GS grade	6.7	0	0
Average GS salary	\$6,687	0	0

AGRICULTURAL MARKETING SERVICE

AGRICULTURAL MARKETING SERVICE TRUST FUNDS

Note.—Appropriation excludes \$27 thousand in 1965 and \$22 thousand in 1966 for activities transferred to "Agricultural Research Service Trust Funds." Amounts obligated in 1964 are shown in the schedules as comparative transfers.

Program and Financing (in thousands of dollars)

Identification code 05-32-9999-0-7-355	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Expenses and refunds, inspection and grading of farm products:			
(a) Dairy products	2,784	2,914	2,945
(b) Fruits and vegetables	7,627	8,335	8,462
(c) Meat	5,706	6,143	6,273
(d) Poultry products	4,792	5,109	5,207
(e) Miscellaneous agricultural commodities	2,752	3,197	3,197
2. Miscellaneous contributed funds	1	8	
Total program costs funded ¹	23,662	25,706	26,084
Change in selected resources ²	59		
10 Total obligations	23,721	25,706	26,084
Financing:			
16 Comparative transfer to other accounts	72		
17 Recovery of prior year obligations	-69	-2	
21 Unobligated balance available, start of year	-8,401	-9,180	-9,071
24 Unobligated balance available, end of year	9,180	9,071	8,738
60 New obligational authority (appropriation)	24,502	25,595	25,751
New obligational authority is distributed as follows:			
Expenses and refunds, inspection and grading of farm products	24,501	25,587	25,751
Miscellaneous contributed funds	1	8	

Program and Financing (in thousands of dollars)—Continued

Identification code 05-32-9999-0-7-355	1964 actual	1965 estimate	1966 estimate
Relation of obligations to expenditures:			
10 Total obligations	23,721	25,706	26,084
70 Receipts and other offsets (items 11-17)	3	-2	
71 Obligations affecting expenditures	23,724	25,704	26,084
72 Obligated balance, start of year	1,622	1,060	1,123
74 Obligated balance, end of year	-1,060	-1,123	-1,143
90 Expenditures	24,286	25,641	26,064
Expenditures are distributed as follows:			
Expenses and refunds, inspection and grading of farm products	24,285	25,633	26,064
Miscellaneous contributed funds	1	8	

¹ Includes capital outlay as follows: 1964, \$76 thousand; 1965, \$76 thousand; 1966, \$76 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1963, \$73 thousand (1964 adjustments—\$69 thousand); 1964, \$64 thousand; 1965, \$64 thousand; 1966, \$64 thousand.

1. *Expenses and refunds, inspection and grading of farm products.*—An inspection and grading service for farm products is provided on request. These services are supported primarily by fees paid by users. A limited amount of direct appropriation is available which covers a portion of the public benefit service. The schedules reflect expenses paid from fees received (7 U.S.C. 91-99, 1621-1627). The volume of work is shown below (in millions):

Commodity	Unit	1964 actual	1965 estimate	1966 estimate
Cotton testing, micronaire	Samples	3.6	10.0	10.5
Dairy products	Pound	5,707.0	4,990.0	4,610.0
Fresh fruits and vegetables	Car or carlot equivalent.	1.3	1.3	1.3
Processed fruits and vegetables:				
Canned products	Case	180.0	210.0	225.0
Frozen, dried and misc.	Pound	4,375.0	4,525.0	4,625.0
Meat and meat products	Pound	10,355.0	10,365.0	10,640.0
Poultry products, graded:				
Shell eggs	Case	38.0	38.0	38.0
Processed eggs	Pound	593.0	573.0	594.0
Poultry	Pound	4,804.0	4,912.0	5,037.0
Poultry products inspected, including rabbits.	Pound	4.0	4.0	4.0
Grain and related products:				
Rice, beans, and peas	Bag	84.0	84.0	84.0
Seed, verification and reverification.	Pound	9.0	10.0	10.0

2. *Miscellaneous contributed funds.*—Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

Identification code 05-32-9999-0-7-355	1964 actual	1965 estimate	1966 estimate
Personnel compensation:			
11.1 Permanent positions	16,732	18,066	18,294
11.3 Positions other than permanent	981	1,156	1,156
11.5 Other personnel compensation	823	816	816
Total personnel compensation	18,536	20,038	20,266
12.0 Personnel benefits	1,350	1,474	1,484
21.0 Travel and transportation of persons	1,578	1,669	1,744
22.0 Transportation of things	103	119	120
23.0 Rent, communications, and utilities	396	428	430
24.0 Printing and reproduction	101	115	116
25.1 Other services	1,165	1,203	1,244
25.2 Services of other agencies	170	282	290
26.0 Supplies and materials	186	192	200
31.0 Equipment	135	186	190
42.0 Insurance claims and indemnities	1		
99.0 Total obligations	23,721	25,706	26,084

Personnel Summary

	1964 actual	1965 estimate	1966 estimate
Total number of permanent positions.....	2,923	2,846	2,875
Full-time equivalent of other positions.....	237	259	259
Average number of all employees.....	2,677	2,722	2,751
Average GS grade.....	7.8	8.0	8.0
Average GS salary.....	\$7,200	\$7,710	\$7,787
Average salary of ungraded positions.....	\$5,187	\$5,179	\$5,179

Proposed for separate transmittal:

AGRICULTURAL MARKETING SERVICE TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-32-9999-1-7-355			
Program by activities:			
1. Expenses and refunds, inspection and grading of farm products:			
(f) Cotton classing.....			3,903
(g) Tobacco.....			2,643
(h) Grain.....			1,000
10 Total obligations.....			7,546
Financing:			
60 New obligational authority (appropriation).....			7,546
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....			7,546
74 Obligated balance, end of year.....			-317
90 Expenditures.....			7,229

Under proposed legislation, 1966.—An increase of \$7,546 thousand is anticipated for 1966 under legislation being proposed to permit the collection of reasonable fees to cover the special benefit portion of tobacco and grain inspection and cotton classing. These fees, paid by users of the service, will be deposited into the trust fund to remain available until expended.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-44-8200-0-7-351			
Program by activities:			
10 Miscellaneous contributed funds (costs—obligations) (object class 25.1).....	4		
Financing:			
21 Unobligated balance available, start of year.....	-4		
New obligational authority			
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	4		
72 Obligated balance, start of year.....	41	45	
74 Obligated balance, end of year.....	-45		
90 Expenditures.....		45	

Miscellaneous funds received from States, local organizations, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

FARMERS HOME ADMINISTRATION

STATE RURAL REHABILITATION FUNDS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-8488-0-8-352			
Program by activities:			
Operating costs, funded:			
Administrative expense.....	164	160	160
Provision for losses on current receivables.....	100	135	77
Total operating costs, funded.....	263	295	237
Capital outlay, funded:			
Loans acquired.....	6,072	1,500	1,500
Judgments and collateral acquired.....	7	2	2
Current assets returned to States, net.....	877	100	100
Total capital outlay, funded.....	6,955	1,602	1,602
10 Total program costs, funded—obligations.....	7,218	1,897	1,839
Financing:			
14 Receipts and reimbursements from non-Federal sources:			
Repayments on loans.....	-5,399	-4,300	-3,675
Proceeds from sale of acquired property.....	-6		
Payments on judgments.....	-10	-9	-8
Interest revenue.....	-1,055	-1,124	-1,015
21.98 Unobligated balance available, start of year:			
Cash.....	-2,481	-1,890	-5,426
U.S. securities (par).....	-1,634	-1,477	-1,477
24.98 Unobligated balance available, end of year:			
Cash.....	1,890	5,426	8,285
U.S. securities (par).....	1,477	1,477	1,477
New obligational authority			
Relation of obligations to expenditures:			
10 Total obligations.....	7,218	1,897	1,839
70 Receipts and other offsets (items 11-17).....	-6,470	-5,433	-4,698
71 Obligations affecting expenditures.....	748	-3,536	-2,859
72.98 Receivables in excess of obligations, start of year.....	-464	-433	-486
74.98 Receivables in excess of obligations, end of year.....	433	486	597
90 Expenditures.....	717	-3,483	-2,748
Cash transactions:			
93 Gross expenditures.....	7,227	1,897	1,839
94 Applicable receipts.....	-6,510	-5,380	-4,587

These funds are administered by the Farmers Home Administration, under agreements with 39 individual States, for use in carrying out subtitles A and B of the Consolidated Farmers Home Administration Act of 1961. In these States, real estate type loans are made from these funds and insured under the regular Farmers Home Administration insured loan program at 5% of which not less than one-half of 1% represents an insurance charge that is retained by the Government. In some States, operating type loans are made at 5% interest. The entire assets of the 39 State Corporations are being adminis-

DEPARTMENT OF AGRICULTURE—Continued**FARMERS HOME ADMINISTRATION—Continued****STATE RURAL REHABILITATION FUNDS—Continued**

tered by the Farmers Home Administration, with the exception of \$16.0 million representing the partial return of cash and other assets at face value to 21 of these States for rural rehabilitation purposes agreed upon between each corporation and the Federal Government. The entire assets of four other State rural rehabilitation corporations have been returned to those States.

Actual and estimated loan operations for the fiscal years 1963, 1964, 1965, and 1966 are as follows (in thousands of dollars):

	Operating loans	Real estate loans
1963.....	467	2,345
1964.....	0	6,071
1965 (estimated).....	500	1,000
1966 (estimated).....	500	1,000

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1964 actual	1965 estimate	1966 estimate
Operating program:			
Revenue.....	1,056	1,124	1,015
Expense.....	250	145	141
Net operating income.....	806	979	874
Nonoperating profit or loss:			
Proceeds from sale of acquired security: Cash.....	6		
Net book value of assets sold.....	-11		
Net nonoperating loss.....	-5		
Net income for the year.....	801	979	874
Analysis of retained earnings or deficit:			
Retained earnings or deficit, start of year.....	-966	-229	750
Adjustment for surplus reestablished for Tennessee Rural Rehabilitation Corporation.....	-63		
Retained earnings or deficit, end of year.....	-229	750	1,624

Financial Condition (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Treasury balance.....	2,017	1,457	4,940	7,688
U.S. securities (par).....	1,634	1,477	1,477	1,477
Accounts receivable, net.....	646	606	659	770
Loans receivable, net.....	21,530	20,622	17,966	15,881
Real estate acquired through foreclosure.....	28	33	33	33
Judgments, net.....	27	27	26	26
Total assets.....	25,882	24,222	25,101	25,875
Liabilities:				
Current.....	35	27	27	27
Equity of States:				
Non-interest-bearing capital:				
Start of year.....	26,977	26,813	24,424	24,324
Assets transferred under trust agreement during year, net:				
Current assets.....	-68	-990	-100	-100
Other.....	-95	-1,463		
Adjustment for surplus reestablished—Tennessee Rural Rehabilitation Corporation.....		63		
End of year.....	26,813	24,424	24,324	24,224
Deficit or surplus.....	-966	-229	750	1,624
Total equity of States.....	25,847	24,195	25,074	25,848

Analysis of Equity of States (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Undisbursed loan obligations.....	147	146	146	146
Unobligated balance.....	4,115	3,367	6,903	9,762
Invested capital and earnings.....	21,585	20,682	18,025	15,940
Total equity of States.....	25,847	24,195	25,074	25,848

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-60-8488-0-8-352			
11.1 Personnel compensation: Permanent positions.....	97	95	95
12.0 Personnel benefits.....	7	7	7
21.0 Travel and transportation of persons.....	8	8	8
25.1 Other services.....	52	50	50
33.0 Investments and loans.....	6,079	1,502	1,502
44.0 Refunds.....	877	100	100
92.0 Undistributed charges (provision for losses on current receivables, etc.).....	98	135	77
99.0 Total obligations.....	7,218	1,897	1,839

Personnel Summary

Total number of permanent positions.....	21	21	21
Average number of all employees.....	17	16	16
Average GS grade.....	6.8	6.8	6.8
Average GS salary.....	\$6,801	\$7,057	\$7,121

OFFICE OF INFORMATION**MISCELLANEOUS CONTRIBUTED FUNDS****Program and Financing (in thousands of dollars)**

Identification code	1964 actual	1965 estimate	1966 estimate
05-76-8200-0-7-355			
Program by activities:			
10 Miscellaneous contributed funds (cost—obligations).....	1	15	
Financing:			
60 New obligational authority (appropriation).....	1	15	
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures).....	1	15	
72 Obligated balance, start of year.....		1	
74 Obligated balance, end of year.....	-1		
90 Expenditures.....		16	

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-76-8200-0-7-355			
21.0 Travel and transportation of persons.....	1		
25.2 Services of other agencies.....		15	
99.0 Total obligations.....	1	15	

NATIONAL AGRICULTURAL LIBRARY

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-84-8200-0-7-355			
Program by activities:			
10 Miscellaneous contributed fund (costs—obligations) (object class 21.0).....	1	-----	-----
New obligatory authority.....	1	-----	-----
Relation of obligations to expenditures:			
71 Total obligations (affecting expenditures) ..	1	-----	-----
72 Obligated balance, start of year.....	18	-----	-----
77 Adjustment of prior year obligations.....	-7	-----	-----
90 Expenditures.....	12	-----	-----

Miscellaneous funds received from States, local organizations, individuals, and others are available for library services under cooperative agreements (5 U.S.C. 67, 563).

FOREST SERVICE

COOPERATIVE WORK

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-8028-0-7-402			
Program by activities:			
1. Construction and maintenance of roads and trails.....	1,433	1,500	1,500
2. Construction and maintenance of other improvements.....	637	700	700
3. Protection of national forest and adjacent private land.....	3,246	3,500	3,500
4. Sale area betterment and scaling.....	16,767	16,740	21,240
5. Research investigations.....	977	1,000	1,000
6. Administration.....	12	15	15
7. Reforestation.....	41	45	45
Total program costs, funded ¹	23,113	23,500	28,000
Change in selected resources ²	399	-----	-----
10 Total obligations.....	23,512	23,500	28,000
Financing:			
17 Recovery of prior year obligations.....	-1,400	-----	-----
21 Unobligated balance available, start of year.....	-26,825	-32,173	-36,673
24 Unobligated balance available, end of year.....	32,173	36,673	37,673
60 New obligatory authority (appropriation).....	27,460	28,000	29,000
Relation of obligations to expenditures:			
10 Total obligations.....	23,512	23,500	28,000
70 Receipts and other offsets (items 11-17).....	-1,400	-----	-----
71 Obligations affecting expenditures.....	22,112	23,500	28,000
72 Obligated balance, start of year.....	3,720	2,845	3,145
74 Obligated balance, end of year.....	-2,845	-3,145	-3,645
90 Expenditures.....	22,987	23,200	27,500

¹ Includes capital outlay as follows: 1964, \$12,312 thousand; 1965, \$12,500 thousand; 1966, \$16,800 thousand.

² Selected resources as of June 30 are as follows:

	1963	1964 adjust- ments	1964	1965	1966
Unpaid undelivered orders.....	642	-30	1,037	1,037	1,037
Advances.....	-----	30	4	4	4
Total selected resources.....	642	-----	1,041	1,041	1,041

Cooperative work.—Advances, including deposits from purchasers of timber, are received and used for cooperative work in forest investigations, protection, and improvement of the National Forests; and protection, reforestation, and administration of private lands adjacent to National Forests (16 U.S.C. 498, 572, 572a, 576b, 581; 31 U.S.C. 725s).

Object Classification (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-96-8028-0-7-402			
Personnel compensation:			
11.1 Permanent positions.....	8,264	8,922	8,950
11.3 Positions other than permanent.....	6,147	6,410	7,900
11.5 Other personnel compensation.....	352	350	500
Total personnel compensation.....	14,763	15,682	17,350
12.0 Personnel benefits.....	965	1,035	1,160
21.0 Travel and transportation of persons.....	240	220	340
22.0 Transportation of things.....	881	800	1,000
23.0 Rent, communications, and utilities.....	302	285	350
24.0 Printing and reproduction.....	28	15	25
25.1 Other services.....	2,215	2,038	2,960
25.2 Services of other agencies.....	984	800	1,100
26.0 Supplies and materials.....	1,631	1,540	2,100
31.0 Equipment.....	376	350	500
32.0 Lands and structures.....	1,043	900	1,100
42.0 Insurance claims and indemnities.....	9	5	5
44.0 Refunds.....	354	100	300
Subtotal.....	23,791	23,770	28,290
95.0 Quarters and subsistence charges.....	-279	-270	-290
99.0 Total obligations.....	23,512	23,500	28,000

Personnel Summary

Total number of permanent positions.....	1,554	1,607	1,615
Full-time equivalent of other positions.....	1,526	1,517	1,870
Average number of all employees.....	3,028	3,019	3,376
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,986	\$7,214	\$7,286
Average salary of ungraded positions.....	\$5,749	\$5,775	\$5,767

DEPOSIT FUNDS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
05-98-6000-0-9-000			
Relation of obligations to expenditures:			
72 Obligated balance, start of year.....	35,746	42,838	43,111
74 Obligated balance, end of year.....	-42,838	-43,111	-45,581
90 Expenditures.....	-7,092	-273	-2,470

DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

GIFTS AND DONATIONS

Program and Financing (in thousands of dollars)

Identification code	1964 actual	1965 estimate	1966 estimate
06-05-8127-0-7-506			
Program by activities:			
1. Exhibit program: U.S. Commission—New York World's Fair.....	-----	13	-----
2. Promotion of international commerce: Oversea operations.....	170	352	291
Total program costs, funded.....	170	365	291

PUBLIC WORKS ACCELERATION

PUBLIC WORKS ACCELERATION

	1964 actual	1965 estimate	1966 estimate
ALLOCATION TO COMMERCE, AREA REDEVELOPMENT ADMINISTRATION			
Grades and ranges:			
GS-17. \$21,445 to \$24,445:			
Assistant administrator	1 \$18,000	1 \$21,445	
GS-16. \$18,935 to \$24,175:			
Deputy assistant administrator	1 16,000	1 18,935	
GS-15. \$16,460 to \$21,590:			
Staff director	2 33,390	2 35,200	
GS-14. \$14,170 to \$18,580:			
Program coordinator	6 98,340	3 53,780	
Program officer	2 30,830	1 18,090	
GS-13. \$12,075 to \$15,855:	13 152,425		
GS-12. \$10,250 to \$13,445:	4 42,560	2 23,695	
GS-11. \$8,650 to \$10,330:	1 10,090		
GS-9. \$7,220 to \$9,425:	1 7,030		
GS-7. \$6,050 to \$7,850:	4 25,520	2 14,500	
GS-6. \$5,505 to \$7,170:	1 6,285	1 6,615	
GS-5. \$5,000 to \$6,485:	7 36,030	3 16,980	
GS-4. \$4,480 to \$5,830:	5 21,495	2 9,560	
GS-3. \$4,005 to \$5,220:	8 33,375	3 12,825	
Total permanent	56 531,370	21 231,625	
Pay above the stated annual rate	4,616		
Lapses	-10.3	-13.2	
	-111,513	-134,451	
Net savings due to lower pay scales for part of the year	-11,660	-174	
Net permanent (average number, net salary)	45.7 412,813	7.8 97,000	
Special personal service payments: Payments to other agencies for reimbursable details	1,068		
Other personnel compensation: Overtime and holiday pay	4,972		
Total personnel compensation	418,853	97,000	
ALLOCATION TO DEPARTMENT OF AGRICULTURE			
Portion of salaries carried in other position schedules paid from this account: Net permanent (average number, net salary)	175.2 1,016,021		
Positions other than permanent: Temporary employment	4,573,572		
Other personnel compensation: Overtime and holiday pay	118,313		
Total personnel compensation, Department of Agriculture	5,712,906		
ALLOCATION TO DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE			
Grades and ranges:			
GS-14. \$14,170 to \$18,580:			
Program adviser	1 14,515	1 15,640	
GS-12. \$10,250 to \$13,445:	3 32,910	3 34,300	
GS-11. \$8,650 to \$11,305:	2 20,180	2 20,840	
GS-9. \$7,220 to \$9,425:	5 28,975	6 43,320	
GS-7. \$6,050 to \$7,850:	2 11,300	2 11,980	
GS-5. \$5,000 to \$6,485:	9 41,575	9 44,220	
GS-4. \$4,480 to \$5,830:	2 7,760	2 8,010	
GS-3. \$4,005 to \$5,220:			
Grades established by act of July 1, 1944 (42 U.S.C. 207):			
Assistant grade	1 3,112	1 3,377	
Junior assistant grade	1 2,668	1 2,894	
Total permanent	26 162,995	32 215,031	
Pay above the stated annual rate	966	802	
Lapses	-3	-1.9	
	-1,906	-17,660	
Net savings due to lower pay scales for part of year		-173	
Net permanent (average number, net salary)	25.7 162,055	30.1 198,000	
Positions other than permanent:			
Temporary employment	646	6,000	
Intermittent employment	268,544	74,000	
Total personnel compensation, Department of Health, Education, and Welfare	431,245	278,000	

	1964 actual	1965 estimate	1966 estimate
ALLOCATION TO DEPARTMENT OF THE INTERIOR			
Portion of salaries carried in other position schedules paid from this account: Net permanent, (average number, net salary)	26 181,179		
Positions other than permanent:			
Part time	355,605		
Intermittent employment	4,086,777		
Temporary employment	1,640,982		
Other personnel compensation: Overtime and holiday pay	41,488		
Total personnel compensation, Department of the Interior	6,308,031		

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION FROM FUNDS AVAILABLE TO AGRICULTURAL RESEARCH SERVICE

	1964 actual	1965 estimate	1966 estimate
Grades and ranges:			
Special positions at rates equal to or in excess of \$24,500:			
Administrator	1 \$20,000	1 \$26,000	1 \$26,000
Associate administrator	1 20,000	1 24,500	1 24,500
GS-18. \$24,500:			
Deputy administrator, farm research	1 20,000	1 24,500	1 24,500
Deputy administrator, nutrition, consumer and industrial use research	1 20,000	1 24,500	1 24,500
Deputy administrator, regulatory	1 20,000	1 24,500	1 24,500
Deputy administrator, research planning and coordination	1 20,000		
Associate director, research program development and evaluation		1 24,500	1 24,500
GS-17. \$21,445 to \$24,445:			
Assistant administrator, farm research	1 18,500	1 21,445	1 21,445
Assistant administrator, nutrition, consumer and industrial use research	1 19,500	1 23,095	1 24,445
Assistant administrator, regulatory	1 18,500	1 22,195	1 22,945
Director, research division	2 37,000	2 45,140	2 45,890
GS-16. \$18,935 to \$24,175:			
Deputy administrator, administrative management	1 18,000	1 22,210	1 22,210
Director, regulatory division	3 52,000	3 63,355	3 64,010
Director, research division	3 50,000	2 43,110	2 43,110
GS-15. \$16,460 to \$21,590:			
Agricultural economist	1 17,725		
Agricultural engineer	1 16,180	1 17,600	1 18,170
Agriculturist		3 52,800	4 69,260
Agronomist	5 82,445	4 71,540	4 73,250
Assistant administrator	2 34,420	1 17,030	1 17,600
Assistant to administrator, nutrition and consumer use research	1 18,755	1 19,880	1 19,880
Assistant to administrator, foreign regional research	1 17,210	1 18,170	1 18,740
Assistant to administrator, farm research	1 17,210		
Assistant to administrator, marketing research		1 18,740	1 19,310
Assistant to administrator, regulatory		1 19,880	1 19,880
Assistant to administrator, research advisory committee	1 18,755	1 19,880	1 19,880
Assistant to administrator, utilization research and development	3 51,115	3 54,510	3 56,220
Assistant director, regulatory division	18 303,600	19 342,380	19 342,380
Assistant director, research division	29 486,215	29 523,510	29 526,930
Assistant to director, research development and evaluation staff		1 19,880	1 19,880
Assistant to director, research division	2 35,450	1 19,310	1 19,310
Associate division director, regulatory	1 17,210	1 18,740	1 18,740
Associate director, regulatory	1 16,695	2 36,910	1 18,170
Associate director, research	5 89,655	5 94,840	5 94,840
Biochemist	2 31,845	3 51,660	3 53,370
Biologist	1 16,695	1 18,170	1 18,170
Botanist	1 16,695	1 18,170	1 18,170
Branch chief, research	37 621,835	35 631,960	33 602,460
Chemist	22 362,655	24 426,390	21 381,570
Chemical engineer		1 18,740	1 19,310

DEPARTMENT OF AGRICULTURE—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION FROM FUNDS AVAILABLE TO AGRICULTURAL RESEARCH SERVICE—Con.

	1964 actual		1965 estimate		1966 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges—Continued						
GS-15. \$16,460 to \$21,590—Continued						
Chief hydrologist.....	1	\$16,695	1	\$18,170	1	\$18,170
Chief physicist.....	1	16,695	1	18,170	1	18,170
Chief, research laboratory.....	43	729,215	42	762,000	42	765,990
Chief, water management engineer.....			1	16,460	1	16,460
Cotton technologist.....	1	16,180	1	17,600	1	18,170
Dairy husbandman.....	1	17,210	1	18,170	1	18,170
Director, administrative services division.....	1	16,695	1	17,600	1	18,170
Director, finance division.....	1	18,755	1	19,880	1	19,880
Director, field administrative division.....	4	65,235	4	68,120	4	70,400
Director, foreign regional research.....	2	33,905	2	36,340	2	36,340
Director, National Arboretum.....	1	17,210	1	18,170	1	18,170
Director, operation analysis and systems development.....	1	18,240	1	19,310	1	19,880
Director, program examination and budget development.....	1	18,755	1	19,880	1	19,880
Director, information division.....	1	18,240	1	19,310	1	19,880
Director, personnel division.....	1	17,210	1	18,170	1	18,740
Director, regulatory division.....	3	50,085	2	35,200	2	38,620
Director, research division.....	3	54,720	2	38,050	1	18,740
Entomologist.....	5	81,930	5	87,430	5	89,140
Geneticist.....	2	33,390	2	35,770	2	36,340
Head, biometrics services.....	1	17,725	1	18,740	1	18,740
Horticulturist.....	1	17,210	1	18,170	1	18,170
Hydraulic engineer.....	1	15,665	1	17,030	1	17,600
Microbiologist.....	4	65,235	5	88,000	5	89,140
Parasitologist.....	1	17,210	1	18,170	1	18,170
Pathologist.....	4	65,235	4	70,970	4	72,680
Physical scientist.....	1	16,180	2	34,060	2	35,200
Physicist.....	4	66,265	4	72,110	4	72,110
Physiologist.....	4	65,750	5	88,000	5	89,710
Plant pest control officer.....	5	82,960	5	89,710	5	90,860
Soil scientist.....	7	113,260	5	89,710	5	90,860
Veterinarian.....	13	218,065	14	251,830	14	253,810
GS-14. \$14,170 to \$18,580:						
Administrative officer.....	6	88,440	8	121,690	8	124,140
Administrative officer, field administrative division.....	3	42,195	4	58,150	4	59,130
Administrative officer, foreign regional research.....	1	14,960				
Agricultural economist.....	4	57,160	4	59,620	4	61,580
Agricultural engineer.....	21	302,115	22	338,200	21	327,460
Agriculturist.....	18	268,470	17	265,880	17	271,760
Agronomist.....	23	332,495	23	355,800	23	362,170
Analytical statistician.....	9	128,835	7	106,540	7	108,990
Animal husbandman.....	1	14,065	1	15,150	1	15,150
Area information officer.....	1	14,965				
Assistant branch chief, research services.....	23	339,245	25	384,140	24	371,930
Assistant director, administrative services.....	2	28,130	2	29,810	2	30,790
Assistant director, finance.....	1	14,065	1	14,660	1	15,150
Assistant director, foreign regional research.....	2	29,480	2	31,280	2	31,770
Assistant director, information.....	1	14,965	1	15,640	1	16,130
Assistant director, research division.....	7	104,305	6	95,310	6	95,800
Assistant director, regulatory division.....	3	45,345	2	32,750	2	33,240
Associate director, regulatory.....	1	14,515	1	15,640	1	16,130
Assistant director, operations analysis and systems development.....	1	14,065	1	14,660	1	15,150
Assistant director, personnel.....	1	14,965				
Assistant director, program examination and budget development.....	1	14,965	1	15,640	1	16,130
Assistant to director, administrative services.....	1	14,515	1	15,150	1	15,640
Assistant to director, research division.....	4	57,610	4	61,580	4	62,560
Biochemist.....	14	204,560	14	217,980	14	219,450
Biologist.....	3	43,095	3	46,430	3	47,410
Branch chief, administrative services.....	4	58,510	3	46,430	3	47,900
Branch chief, information.....	3	43,995	4	61,580	4	63,540
Branch chief, personnel.....	5	76,175	4	65,500	4	67,460
Branch chief, regulatory.....	2	29,930	2	31,770	2	32,260
Branch chief, program examination and budget development.....	3	43,095	3	44,960	3	46,430
Branch chief, finance.....	1	14,065	1	14,660	1	15,150
Branch chief, research.....	5	72,125	4	62,070	4	62,560
Chemist.....	68	979,685	73	1,109,380	67	1,035,140
Chemical engineer.....	7	102,955	7	107,520	7	108,500
Chief, research laboratory.....	13	194,995	13	206,260	12	191,110
Cotton technologist.....	5	74,375	5	78,200	5	78,690
Dairy husbandman.....	3	42,195	3	45,450	3	45,450
Dairy manufacturing technologist.....	1	14,965	1	15,640	1	15,640
Entomologist.....	22	316,180	18	276,130	18	282,010
Fiber technologist.....	1	14,965	1	15,640	1	15,640
Food technologist.....	3	43,545	3	46,430	3	46,920
Geneticist.....	10	143,800	8	124,140	9	140,270
Head, central project office.....	1	14,965	1	15,640	1	16,130
Home economist.....	1	14,965	1	15,640	1	16,130
Horticulturist.....	6	87,090	7	108,500	7	109,970
Hydraulic engineer.....	8	115,670	8	123,160	8	124,630
Industrial analyst.....	3	46,695	3	48,880	3	49,860
Management analyst.....	1	15,415	1	16,130	1	16,620
Marketing analyst.....	3	43,995	3	46,430	3	46,430
Marketing specialist.....	1	14,065	1	15,150	1	15,150
Mechanical engineer.....	2	29,030	2	30,790	2	30,790
Meteorologist.....	1	14,065	1	15,150	1	15,640
Microbiologist.....	12	175,980	10	157,380	10	157,870
Grades and ranges—Continued						
GS-14. \$14,170 to \$18,580—Continued						
Nutrition analyst.....	1	\$14,515	1	\$15,640	1	\$15,640
Parasitologist.....	7	101,605	7	108,500	7	108,500
Pathologist.....	14	205,460	15	232,640	15	233,520
Personnel officer, field administrative division.....	4	57,610	4	60,110	4	62,070
Pharmacologist.....	2	32,630	2	34,710	2	34,710
Physical scientist.....	1	14,515				
Physicist.....	2	29,930	2	29,810	2	30,300
Physiologist.....	17	245,405	16	246,320	16	250,240
Plant pest control officer.....	12	173,280	13	198,910	13	203,320
Plant quarantine inspector.....	5	72,125	4	63,050	4	64,520
Poultry husbandman.....	1	14,515	2	29,810	2	29,810
Publications and information writer.....	1	14,965	1	15,640	1	16,130
Research coordinator.....	5	76,625	5	80,160	5	81,630
Safety officer.....	1	13,615	1	14,170	1	14,660
Soil scientist.....	15	212,775	13	199,890	13	200,380
Staff chief, finance.....			2	28,830	2	28,830
Superintendent, agricultural research center.....	1	16,765	1	17,600	1	17,600
Veterinarian.....	86	1,267,640	101	1,551,220	100	1,555,180
Zoologist.....	1	14,515	1	15,640	1	15,640
GS-13. \$12,075 to \$15,855.....	1,622	12,442,780	1,908	14,513,520	1,945	14,543,725
GS-12. \$10,250 to \$13,445.....	2,093	17,320,060	2,233	21,034,865	2,316	21,700,685
GS-11. \$8,650 to \$11,305.....	18,915,180	18,915,180	21,461,130	21,461,130	21,966,325	21,966,325
GS-10. \$7,900 to \$10,330.....	1,622	8,455	2,058	17,420	2,023	17,690
GS-9. \$7,220 to \$9,425.....	1,622	12,683,780	1,676,180	16,706,180	1,652,425	16,527,425
GS-8. \$6,630 to \$8,610.....	577	4,355,890	894	6,794,900	894	6,860,460
GS-7. \$6,050 to \$7,850.....	3,044	19,855,485	3,026	20,133,265	3,063	20,513,775
GS-6. \$5,505 to \$7,170.....	244	1,477,820	243	1,531,685	242	1,527,475
GS-5. \$5,000 to \$6,485.....	2,426	12,625,375	2,392	13,075,660	2,715	14,729,675
GS-4. \$4,480 to \$5,830.....	1,362	6,421,135	1,447	7,201,850	1,507	7,499,500
GS-3. \$4,005 to \$5,220.....	982	4,189,095	969	4,347,430	971	4,389,360
GS-2. \$3,680 to \$4,805.....	130	505,580	126	503,680	128	512,665
GS-1. \$3,385 to \$4,420.....	10	36,440	10	37,005	10	37,005
Rates established by the act of June 20, 1958 (5 U.S.C. 1161(c)):						
Assistant administrator, nutrition, consumer and industrial use research.....	1	19,500	1	23,695	1	23,695
Chief scientist.....	1	20,000	1	24,500	1	24,500
Deputy administrator, marketing research.....	1	20,000	1	24,500	1	24,500
Director, research division.....	10	177,000	11	239,885	11	239,885
Salaries established under the act of April 24, 1948 (21 U.S.C. 113a):						
Chief scientist.....	1	17,500	2	43,750	2	43,750
Director, research division.....	1	17,500	1	21,555	1	21,555
Director, research laboratory.....	2	35,000	2	43,110	2	43,110
Grades established under the foreign nationals pay plan:						
Mexico:						
FS-3. \$4,237 to \$5,558.....	1	5,338	1	5,338	1	5,338
FS-5. \$2,981 to \$3,641.....	1	3,201	1	3,201	1	3,201
FS-6. \$2,325 to \$2,985.....	19	38,167	20	40,089	45	88,139
FS-7. \$1,824 to \$2,485.....	5	9,340	5	9,340	5	9,340
FS-8. \$1,507 to \$2,168.....	3	4,521	3	4,521	3	4,521
FS-9. \$1,234 to \$1,894.....	6	7,624	5	6,390	9	11,326
FS-10. \$925 to \$1,261.....	8	8,128	7	7,203	7	7,203
Italy:						
FS-5. \$1,869 to \$2,367.....	1	2,519	1	2,519	1	2,519
France:						
FS-3. \$4,305 to \$5,014.....	1	4,305	1	4,305	1	4,305
FS-5. \$3,591 to \$4,300.....	2	7,891	2	7,891	2	7,891
FS-6. \$3,251 to \$3,926.....	1	3,926	1	3,926	1	3,926
FS-9. \$2,372 to \$2,943.....	1	2,943	1	2,943	1	2,943
Grades established under the Alaska pay plan:						
AD-14. \$18,790 to \$24,500: Soil scientist.....	1	20,000	1	20,680	1	20,680
AD-13. \$15,870 to \$21,045.....	4	68,080	4	70,955	4	70,955
AD-12. \$13,425 to \$17,970.....	10	146,260	10	150,915	10	150,915
AD-11. \$11,285 to \$15,065.....	3	23,950	2	26,770	2	26,770
AD-9. \$9,345 to \$12,315.....	1	9,100				
AD-5. \$6,545 to \$8,525.....	2	13,785	2	14,850	2	14,850
AD-4. \$5,885 to \$7,550.....	4	25,050	4	26,685	4	26,685
AD-3. \$5,265 to \$6,750.....	2	10,575	1	5,760	1	5,760
Ungraded positions at annual rates:						
\$14,170 and above:						
Animal husbandman.....	1	18,200	1	15,300	1	15,300
Veterinarian.....	3	43,526	3	45,940	3	45,940
Less than \$14,170.....	275	736,283	254	560,416	254	560,416
Ungraded positions at hourly rates equivalent to less than \$14,170.....	2,420	12,339,146	2,449	12,581,787	2,473	12,673,058
Total permanent.....	18,697	136,935,933	20,080	154,656,909	20,561	158,192,356
Pay above the stated annual rate.....		1,160,459		582,854		602,686
Lapses.....	-1,454.5	-9,238,438	-1,584.0	-10,960,424	-1,207.4	-9,609,720
Portion of salaries shown above paid by States.....	-71.8	-544,215	-53.0	-461,279	-53.0	-462,097
Portion of salaries shown above paid from other accounts.....	-9.0	-63,282	-7.8	-86,243	-7.7	-83,908
Net savings due to lower pay scales for part of year.....	-2,817,224		-74,472			

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Net increase or decrease due to wage-board pay adjustment.....	-\$158,268	-\$60,112	
Portion of salaries carried in other position schedules paid from this account.....	6.1 100,216	2.0 18,637	2.0 \$18,758
Net permanent (average number, net salary):			
United States and possessions.....	16,875.5 124,382,342	18,133.5 142,529,400	18,990.5 147,560,875
Foreign countries:			
U.S. rates.....	65.1 637,413	65.9 699,800	66.6 710,800
Local rates.....	227.2 355,426	237.8 386,400	237.8 386,400
Positions other than permanent:			
Temporary employment:			
U.S. and possessions.....	3,732,770	5,035,600	4,458,525
Foreign countries:			
U.S. rates.....	11,047	5,000	5,000
Part-time employment:			
U.S. and possessions.....	669,856	727,300	720,200
Foreign countries:			
U.S. rates.....	1,241		
Local rates.....	183		
Intermittent employment:			
U.S. and possessions.....	1,211,477	1,475,900	1,470,800
Foreign countries:			
U.S. rates.....	135		
Local rates.....	428		
Other personnel compensation:			
Overtime and holiday pay.....	7,881,791	8,375,300	8,376,900
Nightwork differential.....	288,146	333,500	333,800
Hazardous duty pay.....	7,387	7,500	7,500
Additional pay for service abroad.....	237,672	254,500	253,100
Total personnel compensation.....	139,417,314	159,830,200	164,283,900
Salaries and wages are distributed as follows:			
Salaries and expenses.....	125,053,541	144,913,800	149,360,900
Salaries and expenses (special foreign currency program).....	69,138	76,000	80,000
Working capital fund, Agricultural Research Center.....	2,351,033	2,629,800	2,718,000
Advances and reimbursements.....	11,400,361	11,791,300	11,701,400
Trust funds.....	543,241	419,300	423,600

COOPERATIVE STATE RESEARCH SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE COOPERATIVE STATE RESEARCH SERVICE

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
Special positions at rates equal to or in excess of \$21,445:			
Administrator.....	1 \$20,000	1 \$24,500	1 \$24,500
GS-17. \$21,445 to \$24,445:			
Associated administrator.....	1 19,000	1 23,695	1 23,695
GS-16. \$18,935 to \$24,175:			
Assistant administrator.....	3 51,000	3 60,735	3 59,425
GS-15. \$16,460 to \$21,590:			
Agonomist.....	1 15,665		
Assistant to administrator.....	2 32,360	2 35,200	2 36,340
Program director.....	5 87,070	5 92,560	5 94,840
GS-14. \$14,170 to \$18,580:			
Administrative officer.....	1 14,515	1 15,640	1 15,640
Agricultural economist.....	5 73,475	3 47,410	4 63,540
Agricultural engineer.....	2 29,930	1 15,640	
Agonomist.....	1 14,965	1 15,640	1 16,130
Animal geneticist.....	1 14,515	1 15,640	1 15,640
Animal husbandman.....	2 29,480	2 31,280	2 32,260
Animal nutritionist.....		1 14,170	1 14,660
Animal physiologist.....		1 18,580	1 18,580
Chemist-biochemist.....	1 13,615		
Dairy husbandman.....	1 15,415	1 16,620	1 16,620
Entomologist.....	1 15,865	1 16,620	2 31,280
Food technologist.....	1 14,515	1 15,640	1 15,640
Forester.....	2 27,230	2 29,320	3 44,470
Home economist.....	1 14,065	1 14,170	1 14,170
Horticulturist.....	1 14,065	1 15,150	1 15,640
Information specialist.....	1 15,415	1 16,130	1 16,620
Plant pathologist.....	1 13,615	1 14,660	1 15,150
Plant physiologist.....	1 15,415	1 16,130	1 16,620
Poultry husbandman.....	1 14,065	1 15,150	1 15,640
Program officer.....	1 14,515	1 15,150	1 15,640
Research coordinator.....	1 14,965	1 15,640	1 16,130
Research management specialist-engineering.....		1 15,150	1 15,640
Rural sociologist.....	1 14,965	1 15,640	1 16,130
Soil scientist.....	2 31,280	2 32,750	2 33,240
Veterinarian.....	2 28,130	2 30,300	2 30,790
GS-13. \$12,075 to \$15,855:	4 47,670	11 145,425	11 143,325
GS-11. \$8,650 to \$11,305:		1 9,535	1 9,535
GS-9. \$7,220 to \$9,425:	3 24,540	3 24,845	3 25,090
GS-7. \$6,050 to \$7,850:	10 65,360	10 68,300	10 69,500

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges—Continued			
GS-6. \$5,505 to \$7,710:	6 \$36,835	7 \$45,010	6 \$40,245
GS-5. \$5,000 to \$6,485:	28 152,440	37 206,120	38 214,750
GS-4. \$4,480 to \$5,830:	3 12,785	3 13,740	6 27,630
GS-3. \$4,005 to \$5,220:	7 27,265	3 12,015	4 16,155
Total permanent.....	105 1,046,005	117 1,229,900	123 1,290,900
Pay above the stated annual rate.....	8,345	4,500	4,750
Lapses.....	-13.8 -137,603	-15.6 -190,679	-17.6 -225,590
Net savings due to lower pay scales for part of year.....	-25,495	-661	
Portion of salaries shown above paid from other accounts.....	-2 -4,392	-4 -7,060	-4 -7,060
Net permanent (average number, net salary).....	91 886,860	101 1,036,000	105 1,063,000
Positions other than permanent:			
Temporary employment.....	26,351		
Intermittent employment.....	11,774	5,000	5,000
Other personnel compensation: Overtime and holiday pay.....	1,303	10,000	10,000
Total personnel compensation.....	926,288	1,051,000	1,078,000
Salaries and wages in the foregoing schedule are distributed as follows:			
Payments and expenses.....	920,150	1,045,000	1,072,000
Advances and reimbursements.....	6,138	6,000	6,000

EXTENSION SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE EXTENSION SERVICE

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
GS-18. \$24,500:			
Administrator.....	1 \$20,000	1 \$24,500	1 \$24,500
GS-17. \$21,445 to \$24,445:			
Deputy administrator.....	1 18,000	1 22,195	1 22,945
GS-16. \$18,935 to \$24,175:			
Assistant administrator.....	2 36,000	2 43,765	2 44,420
Field representative.....	1 17,500	1 20,900	1 21,555
GS-15. \$16,460 to \$21,590:			
Division director.....	8 136,135	8 147,070	8 148,210
Program leader.....	4 68,840	4 70,970	4 72,680
GS-14. \$14,170 to \$18,580:			
Assistant division director.....	7 103,855	7 110,460	7 112,420
Field representative.....	1 13,615	1 14,660	1 15,150
Program leader.....	33 483,045	33 507,790	33 516,610
GS-13. \$12,075 to \$15,855:	40 516,740	45 610,575	44 584,220
GS-12. \$10,250 to \$13,445:	5 52,870	6 66,115	5 56,930
GS-11. \$8,650 to \$11,305:	9 81,010	8 75,690	8 77,460
GS-10. \$7,900 to \$10,330:	1 7,945	1 8,440	1 8,710
GS-9. \$7,220 to \$9,425:	10 77,430	9 73,065	9 74,290
GS-8. \$6,630 to \$8,610:	4 28,920	4 30,260	4 30,700
GS-7. \$6,050 to \$7,850:	28 186,440	28 196,600	28 197,600
GS-6. \$5,505 to \$7,710:	19 113,465	16 103,065	16 103,990
GS-5. \$5,000 to \$6,485:	49 257,650	50 278,380	49 278,158
GS-4. \$4,480 to \$5,830:	14 62,930	12 59,160	12 60,660
GS-3. \$4,005 to \$5,220:	19 75,905	20 84,555	19 82,710
GS-2. \$3,680 to \$4,805:	5 19,675	4 16,845	4 17,095
GS-1. \$3,385 to \$4,420:	1 3,410	1 3,615	1 3,730
Ungraded positions at hourly rates equivalent to less than \$14,170.....	2 9,152	2 9,152	2 9,152
Total permanent.....	264 2,390,532	264 2,577,827	260 2,563,895
Pay above the stated annual rate.....	16,784	7,819	8,477
Lapses.....	-23.3 -210,880	-18.1 -229,935	-11.7 -152,055
Net savings due to lower pay scales for part of year.....	-50,438	-1,337	
Portion of salaries shown above paid from other accounts.....	-2.5 -22,392	-8 -4,840	-9 -4,909
Portion of salaries carried in other position schedules paid from this account.....		.5 3,431	.5 3,434
Net permanent (average number, net salary).....	238.2 2,123,606	245.6 2,352,965	247.9 2,418,842
Positions other than permanent:			
Temporary employment.....	17,574	660	
Part-time employment.....	10,791	9,862	9,911
Special personal service payments: Payments to other agencies for reimbursable details.....	10,234	8,996	9,000
Other personnel compensation: Overtime and holiday pay.....	6,415		
Total personnel compensation.....	2,168,620	2,372,483	2,437,753
Salaries and wages in the foregoing schedule are distributed as follows:			
Payments and expenses.....	1,930,735	2,147,269	2,211,601
Advances and reimbursements.....	237,885	225,214	226,152

DEPARTMENT OF AGRICULTURE—Continued

FARMER COOPERATIVE SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID
FROM FUNDS AVAILABLE TO FARMER COOPERATIVE SERVICE

	1964 actual		1965 estimate		1966 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-16. \$18,935 to \$24,175:						
Administrator	1	\$18,000	1	\$21,555	1	\$21,555
GS-15. \$16,460 to \$21,590:						
Deputy administrator	1	16,695	1	18,170	1	18,170
Division director	3	49,570	3	53,940	3	54,510
GS-14. \$14,170 to \$18,580:						
Assistant director	1	14,065	1	15,150	1	15,640
Branch chief	5	71,225	5	76,240	6	92,860
GS-13. \$12,075 to \$15,855:						
Assistant director	15	192,430	15	201,705	16	215,040
GS-12. \$10,250 to \$13,445:						
Assistant director	21	222,450	21	230,160	22	243,960
GS-11. \$8,650 to \$11,305:						
Assistant director	6	51,580	7	62,320	10	90,040
GS-9. \$7,220 to \$9,425:						
Assistant director	9	66,950	9	69,635	9	70,615
GS-8. \$6,630 to \$8,610:						
Assistant director	3	22,110	3	23,410	3	23,410
GS-7. \$6,050 to \$7,850:						
Assistant director	3	19,335	3	20,550	3	20,550
GS-6. \$5,505 to \$7,170:						
Assistant director	4	23,915	4	25,535	4	25,905
GS-5. \$5,000 to \$6,485:						
Assistant director	21	113,530	20	115,840	24	136,500
GS-4. \$4,480 to \$5,830:						
Assistant director	5	22,615	6	28,230	6	28,380
GS-3. \$4,005 to \$5,220:						
Assistant director	4	15,940	5	20,565	5	20,835
GS-2. \$3,680 to \$4,805:						
Assistant director	1	3,620	1	3,680	1	3,680
Total permanent	103	924,030	105	986,685	115	1,081,650
Pay above the stated annual rate		8,420		3,795		4,160
Lapses	-13.1	-106,867	-14.1	-99,662	17.0	-138,197
Net savings due to lower pay scales for part of the year		-20,002		-100		
Net permanent (average number, net salary)	89.9	805,581	90.9	890,718	98.0	947,613
Other personnel compensation: Overtime and holiday pay		887		1,000		1,000
Total personnel compensation		806,468		891,718		948,613
Salaries and wages in the foregoing schedule are distributed as follows:						
Salaries and expenses		783,931		873,213		939,913
Advances and reimbursements		22,537		18,505		8,700

SOIL CONSERVATION SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID
FROM FUNDS AVAILABLE TO SOIL CONSERVATION SERVICE

	1964 actual		1965 estimate		1966 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
Special positions at rates equal to or in excess of \$24,500:						
Administrator	1	\$19,000	1	\$26,000	1	\$26,000
GS-18. \$24,500:						
Associate administrator	1	20,000	1	24,500	1	24,500
GS-17. \$21,445 to \$24,445:						
Deputy administrator, field services group	1	19,500	1	23,695	1	24,445
Deputy administrator, soil survey group	1	19,000	1	23,695	1	23,695
Deputy administrator, watersheds	1	19,000	1	23,695	1	23,695
GS-16. \$18,935 to \$24,175:						
Assistant to administrator	2	35,500	1	19,590	1	20,245
Assistant to deputy administrator, watersheds	1	16,000	1	19,590	1	20,245
Deputy administrator, management group	1	17,500	1	21,555	1	21,555
Director, engineering division	1	18,000	1	21,555	1	22,210
Director, plant science division	1	17,000	1	20,900	1	20,900
Director, resources development division	1	17,000	1	20,900	1	20,900
GS-15. \$16,460 to \$21,590:						
Assistant to administrator	2	33,390	2	35,770	2	36,910
Assistant to associate administrator	2	33,390	1	17,600	1	18,170
Assistant to deputy administrator, watersheds	1	16,695	1	18,170	1	18,170
Chief, soil survey laboratories	1	17,210	1	18,170	1	18,740
Director, administrative services division	1	17,725	1	18,740	1	19,310
Director, budget and finance division	1	17,725	1	18,740	1	19,310
Director, cartographic division	1	17,210	1	17,030	1	17,600
Director, information and education division	1	17,725	1	18,740	1	19,310
Director, personnel division	1	17,725	1	18,740	1	19,310
Director, river basins division	1	17,725	1	19,310	1	19,310
Director, soil classification and correlation	1	17,210	1	18,170	1	18,740
Director, soil survey interpretations	1	17,210	1	18,170	1	18,740
Director, soil survey investigations	1	17,210	1	18,170	1	18,740
Director, soil survey operations	1	17,210	1	18,170	1	18,740
Director, watershed planning division	1	17,210	1	18,170	1	18,740
Field representative	5	87,595	4	72,680	4	73,820
Soil conservationist			1	18,880	1	18,880
State conservationist	12	199,825	14	249,820	14	254,380

	1964 actual		1965 estimate		1966 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges—Continued						
GS-14. \$14,170 to \$18,580:						
Agronomist	1	\$15,865	1	\$17,110	1	\$17,110
Assistant director, administrative divisions	4	59,410	4	62,560	4	64,030
Assistant director, cartographic division	1	14,515	1	15,640	1	15,640
Assistant director, engineering division	1	14,515	1	15,640	1	15,640
Assistant director, information and education division	1	14,965	1	15,640	1	16,130
Assistant director, plant science division	1	15,415				
Assistant director, soil classification and correlation	1	14,515	1	15,640	1	15,640
Assistant director, soil survey interpretations	1	14,965	1	15,640	1	16,130
Assistant director, soil survey operations	2	29,930	2	31,280	2	32,260
Assistant director, watershed planning division	2	29,480	2	31,280	2	31,770
Assistant to deputy administrator for management	1	14,965	1	15,640	1	16,130
Biologist	1	16,315	1	17,110	1	17,600
Branch chief, administrative division	12	175,980	13	198,910	13	204,790
Chief, design and construction branch	1	16,315	1	17,110	1	17,600
Chief, hydrology branch	1	16,315	1	17,110	1	17,600
Chief, information services branch	1	14,965	1	15,640	1	16,130
Chief, program services branch	1	14,965	1	15,640	1	16,130
Chief, programing branch	1	14,965	1	15,640	1	16,130
Chief, projects branch	1	14,965	1	15,640	1	16,130
Chief, soil survey reports	1	14,965	1	15,640	1	16,130
Chief, world soil geography	1	14,965	1	15,640	1	16,130
Deputy state conservationist			2	30,790	2	31,280
Engineer, agricultural	1	14,965	1	15,640	1	16,130
Engineer, civil	2	29,930	3	47,410	4	65,990
Engineer, construction	1	14,065	1	15,150	1	15,640
Geologist	3	44,445	3	44,470	3	45,340
Head, cartographic unit	5	72,575	4	62,070	4	62,560
Head, engineering and watershed planning unit			5	82,120	4	65,010
Head, soil mechanics	6	91,590	1	15,640	1	15,640
Head, water supply forecasting unit	1	14,515				
Information officer			1	14,170	1	14,660
Plant materials specialist	1	13,615	1	14,660	1	15,150
Range conservationist	1	14,965	1	15,640	1	16,130
Recreation specialist	1	13,615	1	14,660	1	15,150
Soil conservationist	12	182,280	12	191,110	12	196,990
Soil specialist (scientist)	6	97,490	6	95,310	6	97,270
State conservationist	37	556,855	35	558,670	35	565,040
Woodland conservationist	1	16,315	1	17,110	1	17,600
GS-13. \$12,075 to \$15,855:	448	5,717,495	475	6,290,025	485	6,410,775
GS-12. \$10,250 to \$13,445:	807	8,740,590	865	9,695,175	885	9,900,175
GS-11. \$8,650 to \$11,305:	2,455	22,674,870	2,606	24,848,210	2,626	25,021,210
GS-10. \$7,900 to \$10,330:	6	54,555	7	66,910	7	67,180
GS-9. \$7,220 to \$9,425:	3,357	26,866,400	3,369	27,561,610	3,309	27,309,710
GS-8. \$6,630 to \$8,610:	7	52,290	7	54,550	7	54,770
GS-7. \$6,050 to \$7,850:	1,937	12,853,360	1,997	13,561,850	1,957	13,461,850
GS-6. \$5,505 to \$7,170:	2,373	14,494,305	2,471	15,660,055	2,494	15,899,520
GS-5. \$5,000 to \$6,485:	2,106	10,997,940	2,087	11,468,065	2,047	11,450,885
GS-4. \$4,480 to \$5,830:	1,370	6,335,670	1,347	6,620,460	1,317	6,552,060
GS-3. \$4,005 to \$5,220:	669	2,829,430	647	2,866,635	622	2,768,265
GS-2. \$3,360 to \$4,805:	98	385,315	72	291,210	62	253,785
Ungraded positions at annual rates less than \$14,170:	17	128,613	29	180,947	29	180,947
Ungraded positions at hourly rates equivalent to less than \$14,170:	183	1,089,728	175	1,055,516	175	1,055,516
Total permanent	15,994	115,743,526	16,315	122,915,903	16,183	123,133,988
Pay above the stated annual rate		1,025,147		457,500		449,000
Lapses	-882.2	-5,777,037	-874.2	-4,439,492	-1,171.0	-6,312,180
Portion of salaries shown above paid from other accounts	-11.2	-105,189	-16.7	-175,816	-17.5	-193,528
Net savings due to lower pay scales for part of year		-2,418,858		-45,000		
Portion of salaries paid by States	-4.1	-36,406	-3.6	-34,352	-4.0	-38,400
Portion of salaries carried in other position schedules paid from this account	.4	7,877	0.5	7,257	0.5	8,120
Net permanent (average number, net salary)	15,096.9	108,439,060	15,421.0	118,686,000	14,991.0	117,047,000
Positions other than permanent:						
Temporary employment		99,479		88,000		100,000
Part-time employment		457,365		494,000		490,000
Intermittent employment		5,135,344		6,577,000		6,251,000
Special personal services payments: Payment to other agencies for reimbursable details		4,300		5,400		6,000
Other personnel compensation:						
Overtime and holiday pay		514,145		699,700		691,700
Nightwork differential		308		300		300
Post differential and cost-of-living allowances		159,030		177,600		176,000
Total personnel compensation		114,809,031		126,728,000		124,762,000

	1964 actual	1965 estimate	1966 estimate
Salaries and wages in the foregoing schedule are distributed as follows:			
Conservation operations.....	\$77,492,316	\$83,875,000	\$83,641,000
Watershed planning.....	3,774,906	4,040,000	4,084,000
Watershed protection.....	15,748,738	18,472,000	19,316,000
Flood prevention.....	5,981,235	6,487,000	6,475,000
Great Plains conservation program.....	2,365,050	2,300,000	2,300,000
Resource conservation and development.....	200,525	875,000	1,230,000
Advances and reimbursements.....	8,806,146	9,579,000	6,585,000
Miscellaneous contributed funds.....	440,115	600,000	631,000

ECONOMIC RESEARCH SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO ECONOMIC RESEARCH SERVICE

	1964 actual		1965 estimate		1966 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
GS-18. \$24,500:						
Administrator.....	1	\$20,000	1	\$24,500	1	\$24,500
GS-17. \$21,445 to \$24,445:						
Agricultural economist.....	1	18,500	1	21,445	1	21,445
Deputy administrator.....	2	38,000	2	47,390	2	47,390
GS-16. \$18,935 to \$24,175:						
Division director.....	5	86,000	5	104,500	5	106,465
Outlook officer.....	1	18,000	1	21,555	1	21,555
GS-15. \$16,460 to \$21,590:						
Agricultural economist.....	4	64,720	4	68,120	4	69,035
Assistant director.....	1	16,180	2	35,770	2	36,340
Assistant to administrator.....	2	34,935	2	36,910	2	37,480
Branch chief.....	25	411,195	25	442,280	25	448,220
Deputy director.....	7	117,380	7	126,050	7	127,310
Division director.....	1	17,210	1	18,170	1	18,170
GS-14. \$14,170 to \$18,580:						
Agricultural economist.....	42	615,580	37	571,330	40	614,825
Assistant branch chief.....	5	70,325	8	121,690	8	124,140
Branch chief.....	1	14,965	1	15,640	1	15,640
Section head.....	28	403,720	29	448,170	30	459,020
Statistician.....	1	14,515	1	15,640	1	15,640
Veterinary analyst.....	1	13,615				
GS-13. \$12,075 to \$15,855.....	116		129		129	
		1,462,135		1,670,655		1,685,695
GS-12. \$10,250 to \$13,445.....	168		186		205	
		1,748,910		2,039,625		2,239,830
GS-11. \$8,650 to \$11,305.....	118		121		134	
		1,056,635		1,108,600		1,233,615
GS-9. \$7,220 to \$9,425.....	85	619,860	76	576,650	87	667,095
GS-8. \$6,630 to \$8,610.....	5	36,150	5	38,430	5	38,650
GS-7. \$6,050 to \$7,850.....	85	545,545	83	548,550	88	582,100
GS-6. \$5,505 to \$7,170.....	71	419,580	70	426,790	73	444,065
GS-5. \$5,000 to \$6,485.....	171	874,890	163	866,480	163	878,915
GS-4. \$4,480 to \$5,830.....	103	466,840	88	420,640	99	476,720
GS-3. \$4,005 to \$5,220.....	60	244,790	64	273,195	62	271,395
GS-2. \$3,680 to \$4,805.....	10	36,615	18	67,115	18	69,865
GS-1. \$3,385 to \$4,420.....	1	3,515	1	3,730	1	3,730
Ungraded positions at hourly rates equivalent to less than \$14,170.....	6	50,785	4	30,190	4	31,856
Total permanent.....	1,127	9,541,090	1,135	10,189,810	1,199	10,810,706
Pay above the stated annual rate.....		80,652		34,825		39,595
Lapses.....	-182.0		-130.8		-150.3	
		-1,397,330		-1,148,821		-1,428,993
Net savings due to lower pay scale for part of year.....		-207,900		-4,125		
Portion of salaries shown above paid:						
From other accounts.....	-4.9		-5.0		-5.0	
		-54,713		-56,582		-56,800
By States.....	-1.6		-1.7		-1.7	
		-20,170		-18,800		-18,800
Net permanent (average number net salary).....	938.5		997.5		1,042.0	
		7,941,629		8,996,307		9,345,708
Positions other than permanent:						
Temporary employment.....		130,362		60,124		66,160
Part-time employment.....		51,803		36,478		44,680
Intermittent employment.....		71,167		84,311		111,875
Other personnel compensation:						
Overtime and holiday pay.....		12,981		13,200		14,800
Post differentials and cost-of-living allowances.....		1,468		1,650		1,650
Total personnel compensation.....		8,209,410		9,192,070		9,584,873

Salaries and wages are distributed as follows:			
Salaries and expenses.....	7,126,960	7,953,575	8,118,575
Watershed planning, Soil Conservation Service.....	21,250	20,090	20,000
Watershed protection, Soil Conservation Service.....	362,331	488,387	794,900
Flood prevention, Soil Conservation Service.....	32,713	36,600	36,000
Resource conservation and development Soil Conservation Service.....	24,204	63,200	65,850
Rural renewal, Farmers Home Administration.....	10,191	25,100	43,700
Expenses, Agricultural Stabilization and Conservation Service.....	16,637		
Miscellaneous contributed funds.....	45,279	50,290	50,290
Advances and reimbursements.....	569,845	554,828	455,558

STATISTICAL REPORTING SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO STATISTICAL REPORTING SERVICE

	1964 actual		1965 estimate		1966 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
GS-18. \$24,500:						
Administrator.....	1	\$20,000	1	\$24,500	1	\$24,500
GS-17. \$21,445:						
Deputy administrator.....			1	22,945	1	23,695
GS-16. \$18,935 to \$24,175:						
Agricultural economist.....	2	33,500	2	41,145	2	41,800
Deputy administrator.....	1	17,500				
Division director.....	3	53,000	3	65,320	3	65,320
GS-15. \$16,460 to \$21,590:						
Branch chief.....	9	151,800	9	161,820	9	165,810
Chief, survey operations group.....	1	16,180	1	17,600	1	18,170
Deputy division director.....	1	17,210	1	18,740	1	18,740
Statistician in charge.....	2	32,360	2	35,200	2	36,340
GS-14. \$14,170 to \$18,580:						
Administrative officer.....	1	14,515	1	15,640	1	15,640
Assistant branch chief.....	1	15,865	1	17,110	1	17,110
Assistant to the division director.....			2	28,840	2	28,840
Mathematical statistician.....	1	14,515	2	29,810	2	29,810
Secretary, crop reporting board.....	1	14,065	1	15,150	1	15,640
Section head.....	14	204,560	14	217,490	14	222,390
Statistician in charge.....	20	297,950	20	315,740	20	323,090
GS-13. \$12,075 to \$15,855:	63	801,430	62	829,290	62	842,310
GS-12. \$10,250 to \$13,445:	106		101		100	
	1,141,040		1,133,230		1,140,375	
GS-11. \$8,650 to \$11,305.....	97	861,130	105	960,760	104	972,760
GS-9. \$7,220 to \$9,425.....	78	582,380	75	595,400	74	595,530
GS-8. \$6,630 to \$8,610.....	4	30,180	4	31,360	4	31,360
GS-7. \$6,050 to \$7,850.....	173		166		168	
	1,089,700		1,080,500		1,092,600	
GS-6. \$5,505 to \$7,170.....	23	140,530	24	154,135	24	154,135
GS-5. \$5,000 to \$6,485.....	178	918,500	165	899,085	155	843,145
GS-4. \$4,480 to \$5,830.....	205		211		212	
	964,875		1,054,480		1,052,210	
GS-3. \$4,005 to \$5,220.....	262		244		239	
	1,084,495		1,056,195		1,032,120	
GS-2. \$3,680 to \$4,805.....	60	222,555	45	175,475	45	175,475
GS-1. \$3,385 to \$4,420.....			1	3,385	1	3,385
Ungraded positions at annual rates:						
\$14,170 or above: Mathematical statisti-	1	15,000	1	16,350	1	16,350
cian.....	5	30,126	5	28,090	5	28,090
Less than \$14,170.....						
Total permanent.....	1,313		1,270		1,255	
	8,784,961		9,044,285		9,026,240	
Pay above the stated annual rate.....		74,731		34,785		34,700
Lapses.....	-145.9	-800,849	-48.0	-312,670	-56.0	-453,540
Net savings due to lower pay scales for part of the year.....		-170,407		-5,200		
Portion of salaries shown above paid:						
From other accounts.....	-8.0		-8.0		-8.0	
	-77,509		-82,400		-82,400	
By States.....	-33.7		-38.0		-38.0	
	-258,538		-278,000		-278,000	
Net permanent (average number, net salary).....	1,125.4	7,552,389	1,176.0	8,400,800	1,153.0	8,247,000
Positions other than permanent:						
Temporary employment.....				190,400		31,200
Part-time employment.....		8,529		10,400		10,400
Intermittent employment.....		698,605		1,013,900		944,100
Other personnel compensation:						
Overtime and holiday pay.....		65,032		83,800		48,600
Nightwork differential.....		9,076		6,000		6,000
Post differentials and cost-of-living allowances.....		8,933		10,700		10,700
Total personnel compensation.....		8,342,564		9,716,000		9,298,000
Salaries and wages in the foregoing schedule are distributed as follows:						
Salaries and expenses.....		7,374,314		8,342,300		8,382,000
Advances and reimbursements.....		962,489		1,370,100		916,000
Trust funds.....		5,761		3,600		

AGRICULTURAL MARKETING SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL MARKETING SERVICE

	1964 actual	1965 estimate	1966 estimate			
Grades and ranges:	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Special position at rate equal to or in excess of \$24,500: Administrator----	1	\$20,000	1	\$26,000	1	\$26,000
GS-18. \$24,500:						
Administrator-----	1	20,000	1	24,500	1	24,500
Associate administrator-----	1	20,000	1	24,500	1	24,500
GS-17. \$21,445 to \$24,445:						
Deputy administrator, marketing services-----	1	18,500	1	22,945	1	22,945
Deputy administrator, regulatory programs-----	1	18,500	1	22,945	1	22,945

DEPARTMENT OF AGRICULTURE—Continued

AGRICULTURAL MARKETING SERVICE—Continued

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL MARKETING SERVICE—CON.

	1964 actual	1965 estimate	1966 estimate
Grades and ranges:—Continued			
GS-16. \$18,935 to \$24,175:			
Assistant deputy administrator, regulatory programs.....	1 \$16,500	1 \$19,590	1 \$20,245
Deputy administrator, management.....	1 18,000	1 22,210	1 22,210
Division director.....	9 159,000	9 193,995	9 195,960
GS-15. \$16,460 to \$21,590:			
Administrative officer.....	4 65,840	4 65,840	4 65,840
Area supervisor.....	5 82,445	5 90,280	5 90,280
Assistant division director.....	2 33,390	2 36,340	2 36,340
Assistant to administrator.....	1 16,695	2 38,620	1 18,170
Branch chief.....	6 100,685	7 128,050	8 143,080
Deputy division director.....	17 291,025	18 329,910	18 330,480
Director, matching fund program.....	1 16,695	1 18,170	1 18,170
Director, operations analysis staff.....	1 16,695	1 18,170	1 18,170
Division director.....	8 140,255	8 152,200	8 152,200
Legislative liaison officer.....	1 18,240	1 19,880	1 19,880
Staff economist.....	2 34,420	2 36,910	1 18,740
GS-14. \$14,170 to \$18,580:			
Administrative officer.....	4 59,410	8 118,750	10 148,070
Agricultural economist.....	1 15,865	1 16,620	1 16,620
Agricultural marketing specialist.....	2 29,030	2 31,280	2 31,280
Area information officer.....	4 60,310	5 77,710	5 79,670
Area manager.....	4 62,110	4 66,970	4 66,970
Area supervisor.....	9 132,885	9 140,760	9 142,720
Assistant branch chief.....	8 116,570	9 136,350	9 138,310
Assistant to deputy division director.....	1 14,515	1 15,150	1 15,640
Assistant to division director.....	6 90,240	5 80,160	5 80,650
Branch chief.....	53 791,345	50 795,230	50 800,130
Deputy director, operations analysis staff.....	1 16,315	1 17,110	1 17,110
Deputy division director.....	5 76,625	5 81,630	5 82,610
District supervisor.....	6 86,640	6 93,840	5 80,650
Federal-State supervisor.....	1 14,965	1 15,640	1 16,130
Section head.....	9 129,735	9 140,270	9 142,230
Staff specialist.....	7 102,055	7 110,950	7 111,930
Statistician.....	1 14,065	1 15,640	1 15,640
GS-13. \$12,075 to \$15,855.....	264 3,337,980	256 3,412,920	257 3,429,195
GS-12. \$10,250 to \$13,445.....	576 6,227,700	548 6,179,320	556 6,332,320
GS-11. \$8,650 to \$11,305.....	1,047 9,519,510	923 8,791,070	951 9,121,770
GS-9. \$7,220 to \$9,425.....	1,955 15,112,120	1,990 15,917,915	2,064 16,663,185
GS-8. \$6,630 to \$8,610.....	19 142,200	18 141,560	18 142,000
GS-7. \$6,050 to \$7,850.....	1,051 6,562,465	1,724 11,030,800	1,739 11,292,150
GS-6. \$5,505 to \$7,170.....	1,113 6,405,045	114 726,915	114 734,315
GS-5. \$5,000 to \$6,485.....	914 4,637,500	615 3,408,795	622 3,476,795
GS-4. \$4,480 to \$5,830.....	777 3,661,780	740 3,760,850	745 3,813,250
GS-3. \$4,005 to \$5,220.....	412 1,718,350	397 1,732,680	399 1,754,190
GS-2. \$3,680 to \$4,805.....	85 323,920	85 331,425	85 336,425
GS-1. \$3,385 to \$4,420.....	13 50,105	10 38,680	10 39,255
Ungraded positions at annual rates less than \$14,170.....	607 3,279,837	617 3,337,326	617 3,337,326
Ungraded positions at:			
Hourly rates equivalent to less than \$14,170.....	109 505,812	99 442,787	99 442,787
Volume rates.....	14 650	14 650	14 650
Total permanent.....	9,137 64,318,699	8,340 62,472,308	8,480 64,148,128
Pay above the stated annual rate.....	433,891	218,430	222,400
Lapses.....	-2,001.2	-995.1	-986.3
Net savings due to lower pay scales for part of year.....	-12,024,538	-5,737,289	-6,393,666
Portion of salaries paid:			
By States.....	-10.2	-25.2	-25.2
From other accounts.....	-88,634	-216,412	-216,412
Portion of salaries carried in other position schedules paid from these accounts.....	-109,236	-18,950	-18,950
Net permanent (average number, net salary):			
United States and possessions.....	7,116.8	7,315.0	7,463.8
Foreign countries: U.S. rates.....	50,876,701	56,612,940	57,712,940
Positions other than permanent:			
Temporary employment.....	192,264	171,006	171,000
Part-time employment.....	2,532,733	3,415,434	3,415,400
Intermittent employment.....			
Special personal service payments: Payments to other agencies for reimbursable details.....	6,300	6,400	6,400
Other personnel compensation:			
Overtime and holiday pay.....	2,797,537	3,190,313	3,186,300
Nightwork differential.....	92,744	98,834	98,800
Post differentials and cost-of-living allowances.....	10,365	15,153	15,200
Total personnel compensation.....	56,519,577	63,553,200	64,649,200

	1964 actual	1965 estimate	1966 estimate
Salaries and wages in the foregoing schedule are distributed as follows:			
Marketing services:			
Direct obligations.....	\$27,626,711	\$30,840,000	\$31,330,000
Reimbursable obligations.....	1,001,642	1,327,000	1,327,000
Special milk program.....	458,428	512,800	512,800
School lunch program.....	991,112	1,273,000	1,357,000
Food stamp program.....	855,460	1,422,000	1,722,000
Removal of surplus agricultural commodities.....	3,611,963	4,254,000	4,257,000
Perishable Agricultural Commodities Act fund.....	663,588	757,000	757,000
Trust funds.....	18,535,649	20,038,000	20,266,000
Advances and reimbursements.....	2,775,024	3,129,400	3,120,400

FOREIGN AGRICULTURAL SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO FOREIGN AGRICULTURAL SERVICE

	1964 actual	1965 estimate	1966 estimate
Grades and ranges:			
Special positions at rates equal to or in excess of \$24,500:			
Administrator.....	1 \$20,000	1 \$26,000	1 \$26,000
GS-18. \$24,500:			
Associate administrator.....	1 24,500	1 24,500	1 24,500
GS-17. \$21,445 to \$24,445:			
Agricultural attaché.....	3 58,500	3 71,085	4 92,530
Associate administrator.....	1 18,500	1 22,945	1 22,945
General sales manager.....	1 19,000	1 22,945	1 22,945
GS-16. \$18,935 to \$24,175:			
Agricultural attaché.....	7 123,000	7 144,990	6 123,435
Assistant administrator.....	5 87,000	5 103,190	5 103,190
Barter and stockpiling manager.....	1 17,500	1 20,900	1 20,900
Deputy general sales manager.....	1 18,000	1 22,210	1 22,210
GS-15. \$16,460 to \$21,590:			
Agricultural attaché.....	16 275,875	16 290,720	17 307,180
Agricultural officer.....	2 34,420	2 36,340	2 36,340
Assistant agricultural attaché.....	2 32,875	2 34,630	2 35,200
Assistant to the administrator.....	1 18,755	2 36,340	2 36,340
Assistant to barter and stockpiling manager.....	1 17,210	1 18,170	1 18,170
Assistant to the general sales manager.....	6 108,410	6 114,720	6 114,720
Associate division director.....	1 16,695	1 17,600	1 17,600
Contract negotiator.....	1 16,695	1 17,600	1 17,600
Deputy assistant administrator.....	6 101,715	6 107,310	6 107,880
Deputy division director.....	1 17,210	1 18,170	1 18,170
Director of statistics.....	1 17,725	1 18,740	1 18,740
Division director.....	16 274,330	19 341,240	19 342,380
Foreign agricultural affairs officer.....	6 105,320	5 93,130	5 93,130
GS-14. \$14,170 to \$18,580:			
Administrative officer.....	1 16,315	1 17,110	1 17,110
Agricultural attaché.....	17 257,105	18 287,400	18 287,400
Agricultural economist.....	1 14,515	1 15,150	1 15,150
Agricultural officer.....	3 46,245	3 48,880	3 48,880
Assistant agricultural attaché.....	8 122,420	8 126,590	8 127,080
Assistant to the assistant administrator.....	1 14,965	1 14,170	1 14,170
Assistant division director.....	1 13,615	1 15,150	1 15,150
Barter specialist.....	2 28,130	1 15,150	1 15,150
Branch chief.....	31 458,515	32 491,660	32 493,620
Commodity industry analyst.....	1 14,965	1 15,640	1 15,640
Deputy division director.....	3 43,995	3 45,940	3 45,940
Field representative.....	1 14,515	1 15,150	1 15,150
Foreign agricultural affairs officer.....	3 47,145	4 66,970	4 66,970
Information officer.....	4 58,060	3 46,430	3 46,430
International economist.....	1 13,615	1 15,150	1 15,150
Marketing specialist.....	9 136,485	8 128,550	8 128,550
Program coordinator.....	6 90,690	6 95,310	6 95,310
Project coordinator.....	1 14,515	1 15,150	1 15,150
Reports officer.....	1 16,315	1 17,110	1 17,110
Staff assistant.....	7 106,555	7 111,930	7 111,930
Textile technologist.....	1 15,865	1 16,620	1 16,620
Trade promotion specialist.....	6 87,540	6 91,390	6 91,390
GS-13. \$12,075 to \$15,855.....	78 995,015	84 1,101,660	85 1,119,617
GS-12. \$10,250 to \$13,445.....	52 544,370	54 580,480	58 625,385
GS-11. \$8,650 to \$11,305.....	37 331,050	39 353,885	42 386,018
GS-9. \$7,220 to \$9,425.....	37 278,970	40 311,340	39 304,610
GS-8. \$6,630 to \$8,610.....	12 89,070	13 101,150	13 101,150
GS-7. \$6,050 to \$7,850.....	83 549,040	86 591,500	87 598,550
GS-6. \$5,505 to \$7,170.....	67 394,320	71 437,060	71 439,510
GS-5. \$5,000 to \$6,485.....	97 497,650	102 558,840	106 581,315
GS-4. \$4,480 to \$5,830.....	63 239,075	50 240,350	50 242,150
GS-3. \$4,005 to \$5,220.....	28 116,440	32 138,150	32 138,150
GS-2. \$3,680 to \$4,805.....	9 34,575	10 38,300	10 38,300
GS-1. \$3,385 to \$4,420.....	1 3,410	1 3,385	1 3,385
Ungraded positions at annual rates: Less than \$14,170.....	166 554,127	166 551,350	163 546,172
Ungraded positions at hourly rates equivalent to less than \$14,170.....	1 4,680	1 4,909	1 4,909
Total permanent.....	910 7,662,612	939 8,280,789	949 8,413,126
Pay above the stated annual rate.....	54,649	27,545	27,951
Lapses.....	-52.8	-70.2	-66.9
Net savings due to lower pay scales for part of year.....	-422,715	-463,884	-465,827
Portion of salaries shown above paid from other accounts.....	-172,153	-4,100	-----
	-1.1	-----	-----
	-11,888	-----	-----

	1964 actual	1965 estimate	1966 estimate
	Num-ber Total salary	Num-ber Total salary	Num-ber Total salary
Portion of salaries carried in other position schedules paid from this account.....	.8 \$5,908		
Net permanent (average number, net salary):			
United States and possessions.....	568.1 5,072,717	570.1 \$5,622,939	583.9 \$5,731,907
Foreign countries:			
U.S. rates.....	128.1 1,542,850	137.0 1,708,142	139.5 1,738,252
Local rates.....	160.7 500,846	161.7 509,269	158.7 505,091
Positions other than permanent:			
Temporary employment:			
United States and possessions.....	36,330	36,300	36,300
Foreign countries:			
U.S. rates.....	1,310	1,300	1,300
Local rates.....	2,996	3,000	3,000
Part-time employment: United States and possessions.....	19,557	20,000	20,000
Intermittent employment: United States and possessions.....	55,083	55,100	55,100
Special personal service payments: Payments to other agencies for reimbursable details.....	57,250	57,250	57,250
Other personnel compensation:			
Overtime and holiday pay.....	19,240		
Additional pay for service abroad.....	48,684	50,000	50,000
Total personnel compensation.....	7,356,863	8,063,300	8,198,200
Salaries and wages in the foregoing schedule are distributed as follows:			
Salaries and expenses.....	7,247,733	7,957,200	8,093,700
Salaries and expenses (special foreign currency program).....	67,983	66,200	64,600
Advances and reimbursements.....	41,147	39,900	39,900

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

	1964 actual	1965 estimate	1966 estimate
	Num-ber Total salary	Num-ber Total salary	Num-ber Total salary
Grades and ranges:			
GS-17. \$21,445 to \$24,445:			
Administrator.....	1 \$19,500	1 \$23,695	1 \$24,445
GS-16. \$18,935 to \$24,175:			
Deputy administrator.....	1 17,500	1 20,900	1 21,555
GS-15. \$16,460 to \$21,590:			
Assistant to the administrator.....	1 17,210	1 18,170	1 18,740
Division director.....	3 51,630	3 54,510	3 56,220
GS-14. \$14,170 to \$18,580:			
Assistant division director.....	2 29,930	2 31,770	2 32,260
Commodity exchange supervisor.....	2 29,030	2 31,280	2 31,280
GS-13. \$12,075 to \$15,855:			
Assistant division director.....	9 115,535	10 133,350	10 135,450
GS-12. \$10,250 to \$13,445:			
Assistant division director.....	9 98,720	10 114,570	10 115,990
GS-11. \$8,650 to \$11,305:			
Assistant division director.....	9 79,050	8 72,740	8 74,805
GS-9. \$7,220 to \$9,425:			
Assistant division director.....	13 98,750	14 110,390	14 110,390
GS-8. \$6,630 to \$8,610:			
Assistant division director.....	1 7,230	1 7,510	1 7,510
GS-7. \$6,050 to \$7,850:			
Assistant division director.....	11 71,740	13 89,650	13 89,650
GS-6. \$5,505 to \$7,170:			
Assistant division director.....	9 56,565	9 58,240	9 58,240
GS-5. \$5,000 to \$6,485:			
Assistant division director.....	14 73,180	13 72,920	13 72,920
GS-4. \$4,480 to \$5,830:			
Assistant division director.....	22 109,110	25 132,550	25 132,550
GS-3. \$4,005 to \$5,220:			
Assistant division director.....	13 55,250	11 47,700	11 47,700
GS-2. \$3,680 to \$4,805:			
Assistant division director.....	2 8,185	2 8,360	2 8,360
Total permanent.....	122 939,115	126 1,028,305	126 1,038,065
Pay above the stated annual rate.....	7,882	3,899	3,939
Lapses.....	-6 -30,940	-3 -19,552	-3 -29,904
Net savings due to lower pay scales for part of year.....	-19,585	-552	
Net permanent (average number, net salary).....	116 896,472	123 1,012,100	123 1,012,100
Special personal service payments: Compensation of witnesses.....		100	100
Other personnel compensation: Overtime and holiday pay.....	789	800	800
Total personnel compensation.....	897,261	1,013,000	1,013,000

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

	1964 actual	1965 estimate	1966 estimate
	Num-ber Total salary	Num-ber Total salary	Num-ber Total salary
Grades and ranges:			
Special positions at rates equal to or in excess of \$24,500:			
Administrator.....	1 \$20,000	1 \$26,000	1 \$26,000
GS-18. \$24,500:			
Associate administrator.....	1 20,000	1 24,500	1 24,500
Deputy administrator, commodity operations.....	1 20,000	1 24,500	1 24,500
Deputy administrator, State and county operations.....	1 20,000	1 24,500	1 24,500
GS-17. \$21,445 to \$24,445:			
Assistant to administrator.....	1 19,500	1 23,695	1 23,695
Confidential assistant.....	1 19,000	1 22,945	1 23,695
Deputy administrator, management.....	1 19,000	1 22,945	1 23,695
GS-16. \$18,935 to \$24,175:			
Assistant deputy administrator.....	4 69,000	4 82,290	4 83,600
Assistant to President, Commodity Credit Corporation.....		1 18,935	1 19,590
Director, commodity office.....	4 70,500	4 84,910	4 85,565
Director, data processing center.....		1 19,590	1 19,590
Director, division.....	6 104,500	6 125,400	6 126,710
Director, policy staff.....	7 120,000	7 145,645	7 146,300
GS-15. \$16,460 to \$21,590:			
Agricultural economist.....		1 16,460	1 17,030
Area director.....	6 100,170	6 107,880	6 109,020
Assistant to administrator.....	6 99,655	6 105,600	5 88,000
Assistant to deputy administrator, commodity operations.....	2 36,310	2 38,620	2 39,190
Assistant deputy administrator, management.....	1 17,725		
Assistant to deputy administrator, State and county operations.....	4 69,355	3 55,650	3 56,790
Assistant to division director.....	1 16,695	2 34,630	2 35,200
Branch office manager.....	3 53,175	3 56,360	3 56,360
Branch chief.....	2 31,845	3 49,950	3 50,520
Deputy director, commodity office.....	8 136,650	8 146,360	8 146,930
Deputy division director.....	18 322,655	18 335,610	18 337,320
Deputy director, policy staff.....	7 124,075	6 114,150	6 114,150
Director, data processing center.....	1 17,210		
Director, disaster and defense services staff.....	1 16,180	1 17,030	1 17,600
Director, management field office.....	1 17,725	1 18,740	1 18,740
Director, operations analysis staff.....	1 16,180	1 17,600	1 18,170
Division director.....	7 119,955	7 127,190	7 128,330
Staff assistant.....	4 71,415	6 108,450	5 91,420
GS-14. \$14,170 to \$18,580:			
Accountant.....	10 149,650	10 156,400	10 158,360
Agricultural economist.....	1 14,965	1 15,640	1 16,130
Assistant branch office manager.....	1 14,965	1 15,640	1 16,130
Assistant to administrator.....	1 15,865	1 16,620	1 16,620
Assistant director, commodity office.....		1 15,640	1 15,640
Assistant to director, commodity office.....	12 178,680	12 186,680	12 189,130
Assistant division director.....	6 93,390	5 82,610	4 66,480
Branch chief.....	24 351,960	24 373,890	24 378,790
Claims examiner.....	1 15,415	1 16,130	1 16,130
Committee management officer.....	1 17,215	1 18,090	
Conservation program specialist.....	1 14,965	1 16,130	1 16,130
Coordinator, defense services staff.....	2 28,580	2 29,810	2 30,300
Deputy area director.....	6 88,440	6 94,820	6 94,820
Deputy director, data processing center.....	2 28,580	2 29,810	2 30,300
Deputy division director.....	6 95,190	6 101,190	6 101,190
Director, cotton products and export operations office.....	1 14,965		
Division chief, commodity office.....	19 275,785	19 292,750	19 297,160
Division chief, data processing center.....	5 70,325	5 74,790	5 75,280
Division chief, management field office.....	3 43,995	3 46,430	3 46,920
Information officer.....	2 30,830	2 32,260	2 32,260
Industrial specialist.....	2 32,180	2 33,730	2 33,730
Labor specialist.....	1 14,965	1 15,640	1 16,130
Management analysis officer.....	1 14,065	1 14,660	1 15,150
Management analyst.....	3 44,445	3 47,410	3 48,390
Marketing specialist.....	13 191,395	13 202,830	13 204,790
Supervisory traffic manager.....		1 14,170	1 14,660
Regional liaison representative.....	1 15,865	1 16,620	1 16,620
Staff assistant.....	27 409,455	27 430,610	26 416,440
State executive director.....	26 365,690	26 393,900	26 398,310
GS-13. \$12,075 to \$15,855:	311	325	325
GS-12. \$10,250 to \$13,445:	408	425	425
GS-11. \$8,650 to \$11,305:	555	561	560
	5,099,870	5,345,890	5,375,885

DEPARTMENT OF AGRICULTURE—Continued

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:—Continued			
GS-10. \$7,900 to \$10,330.....	4 \$34,310	5 \$44,360	5 \$44,360
GS-9. \$7,220 to \$9,425.....	638 5,036,300	671 5,469,860	665 5,449,325
GS-8. \$6,630 to \$8,610.....	61 418,980	55 406,450	55 410,630
GS-7. \$6,050 to \$7,850.....	505 3,164,765	504 3,331,000	498 3,310,150
GS-6. \$5,505 to \$7,170.....	170 1,018,225	169 1,072,420	166 1,066,320
GS-5. \$5,000 to \$6,485.....	717 3,772,810	696 3,939,360	689 3,899,740
GS-4. \$4,480 to \$5,830.....	1,071 5,144,405	972 5,072,760	956 4,999,280
GS-3. \$4,005 to \$5,220.....	1,103 4,830,785	928 4,325,760	918 4,297,590
GS-2. \$3,680 to \$4,805.....	130 518,270	131 546,455	131 552,080
GS-1. \$3,385 to \$4,420.....	1 4,145	1 4,305	1 4,305
Ungraded positions at annual rates less than \$14,170.....	89 466,073	61 316,597	61 316,597
Total, permanent.....	6,042 42,150,873	5,786 43,723,352	5,732 43,661,752
Pay above the stated annual rate.....	367,692	191,345	190,792
Lapses.....	-236.2 -1,129,701	-136.4 -681,732	-90.4 -451,139
Net savings due to lower pay scales for part of year.....	-541,815	-23,917	
Net permanent (average number, net salary).....	5,805.8 40,847,049	5,649.6 43,209,048	5,641.6 43,401,405
Positions other than permanent:			
Temporary employment.....	1,866,473	2,333,990	1,703,787
Intermittent employment.....	988,359	1,261,614	1,211,039
Other personnel compensation:			
Overtime and holiday pay.....	750,678	890,631	890,631
Nightwork differential.....	35,925	25,749	25,749
Post differentials and cost-of-living allowances.....	55,761	60,543	60,543
Total personnel compensation.....	44,544,245	47,781,575	47,293,154

FEDERAL CROP INSURANCE CORPORATION

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE FEDERAL CROP INSURANCE CORPORATION

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
Special positions at rates equal to or in excess of \$16,000:			
Manager.....	1 \$19,000	1 \$24,500	1 \$24,500
GS-16. \$18,935 to \$24,175:			
Assistant manager.....	1 16,500	1 20,900	1 20,900
GS-15. \$16,460 to \$21,590:			
Administrative officer.....	1 18,240	1 19,880	1 19,880
Area director.....	4 68,325	4 72,680	4 74,960
Division director.....	4 68,840	6 108,450	6 109,590
GS-14. \$14,170 to \$18,580:			
Administrative officer.....	1 17,215	1 18,090	1 18,090
Area director.....	4 63,480		
Assistant division director.....	4 58,080	5 76,730	5 78,200
Branch manager.....	1 14,965	1 16,130	1 16,130
Chief budget officer.....	1 14,515	1 14,170	1 14,660
Division director.....	2 29,480		
Loss adjustment specialist (legal).....	1 14,965	1 16,130	1 16,130
Program operations officer.....	1 14,515	1 15,640	1 15,640
Program research specialist.....		1 14,170	1 14,660
Supervisory accountant.....		1 15,640	1 15,640
Supervisory agriculturist.....	1 14,515	1 15,640	1 15,640
GS-13. \$12,075 to \$15,855.....	43 538,440	45 587,895	46 610,470
GS-12. \$10,250 to \$13,445.....	24 253,785	14 156,990	12 137,200
GS-11. \$8,650 to \$11,305.....	85 766,250	99 927,740	103 980,040
GS-9. \$7,220 to \$9,425.....	52 385,230	48 366,855	45 350,870
GS-7. \$6,050 to \$7,850.....	85 523,075	79 516,550	75 498,750
GS-6. \$5,505 to \$7,170.....	8 45,555	12 73,645	12 74,015
GS-5. \$5,000 to \$6,485.....	73 380,750	74 407,450	66 370,755
GS-4. \$4,480 to \$5,830.....	108 505,725	105 529,340	99 503,820
GS-3. \$4,005 to \$5,220.....	102 428,590	78 345,645	75 341,280
GS-2. \$3,680 to \$4,805.....	87 328,560	98 383,640	132 516,885
GS-1. \$3,385 to \$4,420.....	3 10,275	2 7,230	2 7,460
Total permanent.....	696 4,584,315	680 4,751,730	693 4,846,165
Pay above the stated annual rate.....	35,414	15,900	17,700
Lapses.....	-118.6 -658,052	-53.8 -325,330	-17 -146,165
Net savings due to lower pay scales for part of year.....	-117,139	-1,500	

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Portion of salaries shown above paid from other accounts.....	-2 -\$1,670		
Net permanent (average number, net salary).....	577.2 3,842,868	626.2 \$4,440,800	676 \$4,717,700
Positions other than permanent:			
Temporary employment.....	84,058	61,000	81,100
Part-time employment.....	53,518	94,200	125,000
Intermittent employment.....	2,025,960	2,014,000	2,418,200
Other personnel compensation: Overtime and holiday pay.....	32,606	41,000	46,000
Total personnel compensation.....	6,039,010	6,651,000	7,388,000
Salaries and wages in the foregoing schedule are distributed as follows:			
Administrative and operating expenses.....	4,452,093	4,868,000	5,503,000
Federal Crop Insurance Corporation Fund.....	1,586,791	1,783,000	1,885,000
Advances and reimbursements.....	128		

RURAL ELECTRIFICATION ADMINISTRATION

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO RURAL ELECTRIFICATION ADMINISTRATION

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
Special positions at rates equal to or in excess of \$21,445:			
Administrator.....	1 \$20,000	1 \$26,000	1 \$26,000
GS-17. \$21,445 to \$24,445:			
Deputy administrator.....	1 19,000	1 23,695	1 23,695
GS-16. \$18,935 to \$24,175:			
Assistant administrator.....	3 51,000	3 62,700	3 62,700
Assistant to administrator.....	1 16,500	1 20,245	1 20,900
Director of division.....	1 17,000	1 20,900	1 20,900
GS-15. \$16,460 to \$21,590:			
Area director.....	10 167,980	10 182,270	10 182,840
Assistant to administrator.....	1 17,210	1 18,170	1 18,170
Assistant director of division.....	2 31,330	2 34,060	2 34,630
Controller.....	1 18,755	1 19,880	1 19,880
Deputy assistant administrator.....	2 34,420	2 36,910	2 37,480
Director of division.....	7 126,135	7 135,170	7 135,740
Legislative consultant.....	1 17,210	1 18,740	1 18,740
Power survey officer.....	1 15,665	1 17,030	1 17,030
Program director.....	1 15,665	1 17,030	1 17,000
Program officer.....	1 17,725	1 19,310	1 19,310
GS-14. \$14,170 to \$18,580:			
Assistant director of division.....	1 13,615	1 14,660	1 15,150
Branch chief.....	56 824,990	55 867,550	55 869,510
Engineer, architectural.....	1 14,965	1 15,640	1 16,130
Engineer, electrical.....	9 129,735	8 125,120	8 125,610
Engineer, electronic.....	1 13,615	1 14,660	1 15,150
Labor relations adviser.....	1 14,515	1 15,640	1 15,640
Loan reviewer.....	1 14,515	1 15,640	1 15,640
Operations specialist.....	1 14,065	1 15,150	1 15,640
Program officer.....	2 29,930	2 31,770	2 31,770
Rural area development specialist.....	5 73,925	6 93,350	6 93,840
Technical assistance specialist.....	1 15,415	1 16,130	1 16,620
GS-13. \$12,075 to \$15,855.....	120 1,524,040	123 1,640,205	123 1,646,505
GS-12. \$10,250 to \$13,445.....	270 3,030,210	274 3,205,745	274 3,219,945
GS-11. \$8,650 to \$11,305.....	116 1,050,600	119 1,128,470	119 1,132,895
GS-9. \$7,220 to \$9,425.....	66 500,320	66 527,480	66 529,880
GS-8. \$6,630 to \$8,610.....	3 31,690	3 22,750	3 22,970
GS-7. \$6,050 to \$7,850.....	100 657,500	100 691,800	100 693,800
GS-6. \$5,505 to \$7,170.....	83 485,430	83 518,890	83 520,740
GS-5. \$5,000 to \$6,485.....	71 366,270	74 411,085	74 412,735
GS-4. \$4,480 to \$5,830.....	59 264,645	52 256,060	52 257,560
GS-3. \$4,005 to \$5,220.....	44 181,430	49 212,985	49 214,335
GS-2. \$3,680 to \$4,805.....	7 25,340	9 34,770	9 34,370
Ungraded positions at hourly rates equivalent to less than \$14,170.....	4 13,644	4 13,644	4 13,644
Total permanent.....	1,056 9,865,999	1,068 10,540,904	1,068 10,585,744
Pay above the stated annual rate.....	82,950	37,940	38,455
Lapses.....	-78.5 -696,115	-71.8 -752,319	-68.0 -714,619
Net savings due to lower pay scales for part of year.....	-217,340	-3,200	
Portion of salaries shown above paid from other accounts.....	-1.4 -20,452	-1.4 -24,485	-1.4 -24,485
Net permanent (average number, net salary).....	976.1 9,015,042	994.8 9,798,840	998.6 9,885,095
Positions other than permanent: Intermittent employment.....	45,894	47,500	47,500
Other personnel compensation:			
Overtime and holiday pay.....	3,868	4,500	4,500
Post differentials and cost-of-living allowances.....	6,162	6,500	6,500
Total personnel compensation.....	9,070,966	9,857,340	9,943,595
Salaries and wages in the foregoing schedule are distributed as follows:			
Salaries and expenses.....	8,786,895	9,615,390	9,659,275
Advances and reimbursements.....	284,071	241,950	284,320

FARMERS HOME ADMINISTRATION

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE FARMERS HOME ADMINISTRATION

	1964 actual		1965 estimate		1966 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
Special positions at rates equal to or in excess of \$24,500:						
Administrator.....	1	\$19,000	1	\$26,000	1	\$26,000
GS-18. \$24,500:						
Deputy administrator.....			1	24,500	1	24,500
GS-17. \$21,445 to \$24,445:						
Deputy administrator.....	1	19,000				
Assistant administrator.....			1	21,445	1	21,445
GS-16. \$18,935 to \$24,175:						
Assistant administrator.....	4	69,000	4	84,255	4	85,735
Director of division.....	1	17,500	1	20,900	1	21,555
GS-15. \$16,460 to \$21,590:						
Assistant to the administrator.....	2	33,390	2	34,060	2	35,200
Director of division.....	11	183,130	10	176,990	10	182,840
Farm management representative.....			1	16,460	1	17,030
State director.....			5	84,580	5	87,430
GS-14. \$14,170 to \$18,580:						
Agricultural engineer.....	3	42,645	3	45,940	3	46,430
Assistant to the administrator.....	6	85,740	4	59,620	4	61,090
Chief of branch.....			6	89,920	6	92,370
Deputy director of division.....	6	88,440	3	44,960	3	45,940
Information officer.....	2	28,580	2	30,300	2	31,280
Loan funds coordinator.....	1	14,515	1	14,660	1	15,150
Loan officer.....	11	157,415	15	227,250	13	202,460
Program officer.....	3	42,645	4	60,110	4	61,530
Recreation specialist.....	1	14,065	1	15,150	1	15,640
State director.....	42	607,830	36	542,950	36	560,100
GS-13. \$12,075 to \$15,855.....	68	853,125	77	1,024,105	115	1,524,410
GS-12. \$10,250 to \$13,445.....	103	1,134,760	110	1,249,065	112	1,299,975
GS-11. \$8,650 to \$11,305.....	425	4,015,460	444	4,355,020	462	4,529,495
GS-9. \$7,220 to \$9,425.....	1,325	10,776,160	1,527	12,750,990	1,622	13,628,065
GS-8. \$6,630 to \$8,610.....	3	23,580	1	8,170	1	8,390
GS-7. \$6,050 to \$7,850.....	809	5,306,305	822	5,576,370	872	6,139,330
GS-6. \$5,505 to \$7,170.....	65	405,200	63	413,240	63	420,075
GS-5. \$5,000 to \$6,485.....	260	1,393,830	304	1,713,330	314	1,818,280
GS-4. \$4,480 to \$5,830.....	1,675	8,489,880	1,780	9,403,075	1,945	10,236,590
GS-3. \$4,005 to \$5,220.....	364	1,571,005	438	1,941,145	487	2,202,825
GS-2. \$3,680 to \$4,805.....	22	80,480	12	44,785	12	46,285
GS-1. \$3,385 to \$4,420.....			1	3,500	1	3,615
Ungraded positions at hourly rates equivalent to less than \$14,170.....	5	28,183	6	33,383	6	33,383
Total permanent.....	5,219	35,500,863	5,686	40,136,228	6,111	43,524,443
Pay above stated annual rate.....		322,828		208,765		227,027
Lapses.....	-245.1	-1,990,431	-242.4	-1,988,812	-201.7	-2,588,770
Net savings due to lower pay scales for part of year.....		-669,465		-16,000		
Portion of salaries shown above paid from other accounts.....	.3	1,360	.3	1,400	.3	1,400
Portion of salaries carried in other position schedules paid from this account.....	.3	4,018	.3	4,819		
Net permanent (average number, net salary).....	4,973.9	33,166,453	5,443.6	38,343,600	5,909.0	41,161,300
Positions other than permanent:						
Temporary employment.....		416,175		415,000		365,000
Part-time employment.....		104,341		100,000		100,000
Intermittent employment.....		693,895		700,000		700,000
Other personnel compensation:						
Overtime and holiday pay.....		33,742		34,000		34,000
Cost-of-living allowance.....		83,182		83,000		83,000
Total personnel compensation.....		34,497,788		39,675,600		42,443,300
Salaries and wages are distributed as follows:						
Salaries and expenses.....		30,058,911		34,860,000		37,290,000
Emergency credit revolving fund.....		3,639,337		3,775,000		3,775,000
State rural rehabilitation funds.....		96,671		95,000		95,000
Advances and reimbursements.....		389,627		455,200		483,000
Rural renewal.....		98,095		129,000		243,000
Watershed protection, Soil Conservation Service.....		168,614		208,000		432,000
Flood prevention, Soil Conservation Service.....		46,533		23,300		23,300
Resource conservation and development projects, Soil Conservation Service.....				130,100		102,000

RURAL COMMUNITY DEVELOPMENT SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO RURAL COMMUNITY DEVELOPMENT SERVICE

	1964 actual		1965 estimate		1966 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
GS-17. \$21,445 to \$24,445:						
Administrator.....	1	\$19,000	1	\$23,695	1	\$23,695
GS-15. \$16,460 to \$21,590:						
Assistant administrator—development.....	1	17,210	1	18,170	1	18,740
Assistant administrator—operations.....	1	18,240	1	19,880	1	19,880
Deputy administrator.....	1	17,725	1	18,740	1	19,310
Deputy assistant administrator—development.....			1	18,170	1	18,170
Deputy assistant administrator—operations.....	1	16,695	1	18,170	1	18,170
Field representative.....	4	69,870	3	57,360	3	57,930
Labor and welfare specialist.....	1	17,210	1	18,170	1	18,170
GS-14. \$14,170 to \$18,580:						
Field representative.....	3	43,095	3	45,940	3	47,410
GS-13. \$12,075 to \$15,855.....	5	60,935	4	51,660	21	288,855
GS-12. \$10,250 to \$13,445.....					4	49,520
GS-11. \$8,650 to \$11,305.....	3	22,470	3	23,620	2	15,665
GS-9. \$7,220 to \$9,425.....	12	76,950	11	74,150	11	76,350
GS-7. \$6,050 to \$7,850.....	1	4,690	2	10,165	2	11,320
GS-4. \$4,480 to \$5,830.....	2	9,410	1	4,630	23	116,840
GS-3. \$4,005 to \$5,220.....			1	4,140		
Total permanent.....	36	393,500	36	415,310	77	808,675
Pay above the stated annual rate.....		3,354		1,537		2,298
Lapses.....	-2	-24,236	-1	-4,838	-3	-40,203
Net savings due to lower pay scales for part of year.....		-4,760		-239		
Net permanent (average number, net salary).....	34	367,858	35	411,770	74	770,770
Positions other than permanent: Intermittent employment.....		7,860		8,230		8,230
Special personal service payments: Payments to other agencies for reimbursable details.....		13,810				
Other personnel compensation: Overtime and holiday pay.....		12				
Total personnel compensation.....		389,540		420,000		779,000
Salaries and wages in the foregoing schedule are distributed as follows:						
Salaries and expenses.....		93,281		114,000		516,000
Advances and reimbursements.....		290,200		306,000		263,000
Acceleration of Public Works.....		6,059				

OFFICE OF THE INSPECTOR GENERAL

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE OFFICE OF THE INSPECTOR GENERAL

	1964 actual		1965 estimate		1966 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
GS-18. \$24,500:						
Inspector general.....	1	\$20,000	1	\$24,500	1	\$24,500
GS-16. \$18,935 to \$24,175:						
Assistant inspector general.....	1	18,000	1	21,555	1	22,210
GS-15. \$16,460 to \$21,590:						
Executive assistant.....	1	15,665	1	17,030	1	17,600
Deputy inspector general.....	3	48,540	3	52,800	3	53,940
Program director.....	8	135,565	8	146,580	8	148,290
Regional inspector general.....	7	126,795	7	126,620	7	127,760
GS-14. \$14,170 to \$18,580:						
Inspector.....	49	717,385	40	609,920	39	608,490
GS-13. \$12,075 to \$15,855.....	112	1,398,815	90	1,154,790	93	1,215,795
GS-12. \$10,250 to \$13,445.....	143	1,503,090	137	1,483,770	145	1,590,975
GS-11. \$8,650 to \$11,305.....	151	1,303,520	169	1,557,725	192	1,785,585
GS-9. \$7,220 to \$9,425.....	114	829,640	147	1,144,885	164	1,292,125
GS-8. \$6,630 to \$8,610.....			1	6,850	1	7,070
GS-7. \$6,050 to \$7,850.....	122	749,805	85	547,450	95	615,950
GS-6. \$5,505 to \$7,170.....	36	219,140	31	182,865	31	185,640
GS-5. \$5,000 to \$6,485.....	56	281,395	72	391,350	72	397,045
GS-4. \$4,480 to \$5,830.....	79	339,470	75	365,550	84	413,370
GS-3. \$4,005 to \$5,220.....	37	148,285	38	158,265	38	161,035
GS-2. \$3,680 to \$4,805.....	2	7,345	9	33,745	9	34,370
GS-1. \$3,385 to \$4,420.....	2	6,670				
Total permanent.....	924	7,869,125	915	8,026,250	984	8,701,750

DEPARTMENT OF AGRICULTURE—Continued

OFFICE OF THE INSPECTOR GENERAL—Continued

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE OFFICE OF THE INSPECTOR GENERAL—Continued

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Pay above the stated annual rate.....	\$60,258	\$31,220	\$31,540
Lapses.....	-95.3	-71	-76
Net savings due to lower pay scales for part of year.....	-908,916	-419,934	-533,619
Net permanent (average number, net salary).....	828.7 6,823,987	844 7,634,011	908 8,199,671
Positions other than permanent:			
Temporary employment.....	26,983		
Intermittent employment.....	1,847		
Other personnel compensation:			
Overtime and holiday pay.....	78,775	25,000	25,000
Post differentials and cost-of-living allowances.....	1,479		
Total personnel compensation.....	6,933,071	7,659,011	8,224,671

OFFICE OF THE GENERAL COUNSEL

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE OFFICE OF THE GENERAL COUNSEL

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
Special positions at rates equal to or in excess of \$24,500:			
General counsel.....	1 \$20,000	1 \$27,000	1 \$27,000
GS-18. \$24,500:			
Deputy general counsel.....	1 20,000	1 24,500	1 24,500
GS-16. \$18,935 to \$24,175:			
Assistant general counsel.....	3 53,500	3 65,320	3 65,320
Director, legal division.....	2 35,000	2 41,800	2 43,110
GS-15. \$16,460 to \$21,590:			
Attorney.....	7 118,410	7 124,910	7 126,050
Director, legal division.....	7 124,590	7 131,750	7 133,460
Regional attorney.....	8 138,195	8 148,210	8 148,210
GS-14. \$14,170 to \$18,580:			
Attorney.....	54 777,510	53 834,310	52 824,550
Executive assistant to the general counsel.....	1 15,415	1 16,130	1 16,620
GS-13. \$12,075 to \$15,855:			
GS-12. \$10,250 to \$13,445:			
GS-11. \$8,650 to \$11,305:			
GS-9. \$7,220 to \$9,425:			
GS-7. \$6,050 to \$7,850:			
GS-6. \$5,505 to \$7,170:			
GS-5. \$5,000 to \$6,485:			
GS-4. \$4,480 to \$5,830:			
GS-3. \$4,005 to \$5,220:			
Total permanent.....	377 3,489,675	377 3,731,095	407 3,970,035
Lapses.....	-25 -178,007	-22 -167,240	-27 -261,255
Pay above the stated annual rate.....	26,110	13,500	14,250
Net savings due to lower pay scales.....	-93,025	-1,945	
Net permanent (average number, net salary).....	352 3,244,753	355 3,575,410	380 3,723,030
Positions other than permanent:			
Part-time employment.....	19,857	22,000	22,000
Intermittent employment.....	3,744	3,750	3,750
Other personnel compensation: Post differentials and cost-of-living allowances.....	3,254	3,300	3,300
Total personnel compensation.....	3,271,608	3,604,460	3,752,080
Salaries and wages in the foregoing schedule are distributed as follows:			
Salaries and expenses.....	3,202,747	3,514,460	3,662,080
Emergency credit revolving fund, Farmers Home Administration.....	18,557	20,000	20,000
Expenses, Agricultural Stabilization and Conservation Service.....	50,304	70,000	70,000

OFFICE OF INFORMATION

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO OFFICE OF INFORMATION

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
GS-17. \$21,445 to \$24,445:			
Director of information.....	1 \$19,000	1 \$23,695	1 \$24,445
GS-16. \$18,935 to \$24,175:			
Deputy director of information.....	1 16,000	1 19,590	1 20,245
GS-15. \$16,460 to \$21,590:			
Assistant director of information.....	1 18,755	1 19,880	1 19,880
GS-14. \$14,170 to \$18,580:			
Chief of division.....	8 122,870	8 129,530	8 131,490
Editor of yearbook.....	1 15,865	1 16,620	1 17,110
Executive assistant to the director.....	1 15,415	1 16,130	1 16,130
GS-13. \$12,075 to \$15,855:			
GS-12. \$10,250 to \$13,445:			
GS-11. \$8,650 to \$11,305:			
GS-9. \$7,220 to \$9,425:			
GS-8. \$6,630 to \$8,610:			
GS-7. \$6,050 to \$7,850:			
GS-6. \$5,505 to \$7,170:			
GS-5. \$5,000 to \$6,485:			
GS-4. \$4,480 to \$5,830:			
GS-3. \$4,005 to \$5,220:			
GS-2. \$3,680 to \$4,805:			
Ungraded positions at hourly rates equivalent to less than \$14,170.....	7 36,680	7 36,680	7 36,680
Total permanent.....	250 1,864,715	253 1,992,130	250 1,936,180
Pay above the stated annual rate.....	13,380	7,250	7,200
Lapses.....	-19 -104,990	-20 -106,505	-20 -119,380
Net savings due to lower pay scales for part of year.....	-20,274	-975	
Net permanent (average number, net salary).....	231 1,752,831	233 1,891,900	230 1,874,000
Positions other than permanent: Intermittent employment.....	942	1,000	1,000
Special personal services payments: Excess of annual leave earned over leave taken.....	4,733		
Other personnel compensation: Overtime and holiday pay.....	28,207	15,000	15,000
Total personnel compensation.....	1,786,713	1,907,900	1,890,000
Salaries and wages in the foregoing schedule are distributed as follows:			
Salaries and expenses.....	833,429	918,000	918,000
Advances and reimbursements.....	22,851	17,900	
Great Plains conservation program, Soil Conservation Service.....	3,616	9,000	9,000
Acceleration of Public Works.....	797		
Working Capital Fund, Department of Agriculture.....	926,020	963,000	963,000

NATIONAL AGRICULTURAL LIBRARY

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE NATIONAL AGRICULTURAL LIBRARY

	1964 actual	1965 estimate	1966 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
GS-16. \$18,935 to \$24,175:			
Director.....	1 \$17,500	1 \$21,555	1 \$21,555
GS-14. \$14,170 to \$18,580:			
Assistant director.....	4 57,160	4 61,580	4 62,560
GS-13. \$12,075 to \$15,855:			
GS-12. \$10,250 to \$13,445:			
GS-11. \$8,650 to \$11,305:			
GS-9. \$7,220 to \$9,425:			
GS-8. \$6,630 to \$8,610:			
GS-7. \$6,050 to \$7,850:			
GS-6. \$5,505 to \$7,170:			
GS-5. \$5,000 to \$6,485:			
GS-4. \$4,480 to \$5,830:			
GS-3. \$4,005 to \$5,220:			
GS-2. \$3,680 to \$4,805:			
Total permanent.....	196 1,247,285	216 1,462,070	239 1,630,365
Pay above the stated annual rate.....	11,224	5,544	6,128
Lapses.....	-32.3	-36.3	-36.3
	-169,822	-214,032	-220,336

	1964 actual	1965 estimate	1966 estimate		1964 actual	1965 estimate	1966 estimate
	Num-ber Total salary	Num-ber Total salary	Num-ber Total salary		Num-ber Total salary	Num-ber Total salary	Num-ber Total salary
Net savings due to lower pay scales for part of year.....	-----21,534	-----603	-----	Grades and ranges: GS-18. \$24,500: Confidential assistant to the Secretary.....	120,000	124,500	124,500
Net permanent (average number, net salary).....	163.7\$1,067,153	179.7\$1,252,979	202.7\$1,416,157	Confidential assistant to the Under Secretary.....	120,000	124,500	124,500
Positions other than permanent: Temporary employment.....	10,829	10,000	10,000	Director, agricultural economics.....	120,000	-----	-----
Special personal service payments: Payments to other agencies for reimbursable details.....	12,452	10,000	-----	Director, science and education.....	120,000	-----	-----
Excess of annual leave earned over leave taken.....	241	-----	-----	Executive assistant, chief of staff.....	120,000	124,500	124,500
Other personnel compensation: Overtime and holiday pay.....	3,363	1,000	1,000	GS-17. \$21,445 to \$24,445: Assistant to the Secretary.....	238,000	245,140	245,140
Total personnel compensation.....	1,094,038	1,273,979	1,427,157	Director of finance and budget officer.....	119,500	124,445	124,445
Salaries and wages in the foregoing schedule are distributed as follows:				Director, management appraisal and systems development.....	119,000	122,945	122,945
Salaries and expenses.....	1,002,576	1,179,300	1,331,000	Director of personnel.....	119,000	123,695	123,695
Advances and reimbursements.....	64,907	67,794	68,696	Director of plant and operations.....	122,945	122,945	122,945
Working capital fund, Department of Agriculture.....	26,555	26,885	27,461	Judicial officer.....	120,000	124,445	124,445
				GS-16. \$18,935 to \$24,175: Assistant to the Secretary.....	234,500	239,835	239,835
				Assistant director, management appraisal and systems development.....	117,000	120,245	120,245
				Confidential assistant to the Under Secretary.....	118,000	-----	-----
				Deputy assistant secretary.....	348,500	358,115	358,115
				Deputy director, budget and finance.....	117,500	120,900	120,900
				Deputy director of personnel.....	117,500	120,900	120,900
				Director of plant and operations.....	117,500	-----	-----

OFFICE OF MANAGEMENT SERVICES

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO OFFICE OF MANAGEMENT SERVICES

	1964 actual		1965 estimate		1966 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
GS-16. \$18,935 to \$24,175:						
Director-----	1	\$17,000	1	\$20,900	1	\$20,900
GS-15. \$16,460 to \$21,590:						
Division chief-----	4	66,780	4	72,680	4	72,680
GS-14. \$14,170 to \$18,580:						
Assistant to director-----	1	14,065	1	15,150	1	15,640
Deputy division chief-----	1	14,065	2	31,280	2	33,240
Assistant to division chief-----			1	15,640	1	15,640
Branch chief-----	10	142,000	9	135,370	8	122,670
Information specialist-----	2	28,130	1	14,660	1	15,150
GS-13. \$12,075 to \$15,855:	12	150,325	13	171,255	15	200,865
GS-12. \$10,250 to \$13,445:	28	295,280	25	276,840	26	295,610
GS-11. \$8,650 to \$11,305:	28	251,440	29	273,270	30	288,115
GS-9. \$7,220 to \$9,425:	28	208,110	36	277,560	36	284,420
GS-8. \$6,630 to \$8,610:	1	7,020				
GS-7. \$6,050 to \$7,850:	52	331,565	41	279,650	41	284,250
GS-6. \$5,505 to \$7,170:	14	78,190	14	84,840	14	86,505
GS-5. \$5,000 to \$6,485:	66	346,020	68	383,395	69	394,830
GS-4. \$4,480 to \$5,830:	43	197,625	37	186,310	39	197,820
GS-3. \$4,005 to \$5,220:	40	161,500	37	158,310	39	169,290
GS-2. \$3,680 to \$4,805:	27	104,040	47	175,585	53	199,615
GS-1. \$3,385 to \$4,420:	6	20,145	2	6,885	2	7,460
Ungraded positions at hourly rates equivalent to less than \$14,170.....	9	39,044	9	39,086	9	39,083
Total permanent-----	373	2,472,344	377	2,618,666	391	2,743,783
Pay above the stated annual rate-----		20,431		9,713		10,250
Lapses-----	-42.3		-35		-38	
Net savings due to lower pay scales for part of year-----		-258,105		-200,779		-261,033
		-44,000		-1,100		
Net permanent (average number, net salary)-----	330.7		342		353	
	2,190,670		2,426,500		2,493,000	
Positions other than permanent: Part-time employment-----		6,630		7,000		7,000
Other personnel compensation: Overtime and holiday pay-----		43,481		35,000		35,000
Total personnel compensation-----		2,240,781		2,468,500		2,535,000

GENERAL ADMINISTRATION

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO GENERAL ADMINISTRATION

	1964 actual		1965 estimate		1966 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
Special positions at rates equal to or in excess of \$24,500:						
Secretary of Agriculture-----	1	\$25,000	1	\$35,000	1	\$35,000
Under Secretary of Agriculture-----	1	21,000	1	28,500	1	28,500
Assistant Secretary of Agriculture-----	3	60,000	3	81,000	3	81,000
Assistant secretary for administration-----	1	19,000	1	26,000	1	26,000
Director, agricultural economics-----			1	26,000	1	26,000
Director, science and education-----			1	26,000	1	26,000

Grades and ranges:	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
GS-18. \$24,500:						
Confidential assistant to the Secretary.....	1	\$20,000	1	\$24,500	1	\$24,500
Confidential assistant to the Under Secretary.....	1	20,000	1	24,500	1	24,500
Director, agricultural economics.....	1	20,000				
Director, science and education.....	1	20,000				
Executive assistant, chief of staff.....	1	20,000	1	24,500	1	24,500
GS-17. \$21,445 to \$24,445:						
Assistant to the Secretary.....	2	38,000	2	45,140	2	45,140
Director of finance and budget officer.....	1	19,500	1	24,445	1	24,445
Director, management appraisal and systems development.....	1	19,000	1	22,945	1	22,945
Director of personnel.....	1	19,000	1	23,695	1	23,695
Director of plant and operations.....			1	22,945	1	22,945
Judicial officer.....	1	20,000	1	24,445	1	24,445
GS-16. \$18,935 to \$24,175:						
Assistant to the Secretary.....	2	34,500	2	39,835	2	39,835
Assistant director, management appraisal and systems development.....	1	17,000	1	20,245	1	20,245
Confidential assistant to the Under Secretary.....	1	18,000				
Deputy assistant secretary.....	3	48,500	3	58,115	3	58,115
Deputy director, budget and finance.....	1	17,500	1	20,900	1	20,900
Deputy director of personnel.....	1	17,500	1	20,900	1	20,900
Director of plant and operations.....	1	17,500				
Hearing examiner.....	4	72,000	5	105,810	5	105,810
Pesticides coordinator.....			1	18,935	1	19,590
GS-15. \$16,460 to \$21,590:						
Administrative assistant.....	4	66,780	4	70,970	6	103,890
Assistant director of budget and finance.....	1	18,240	1	19,310	1	19,310
Assistant director of personnel.....	1	17,210	1	18,740	1	18,740
Assistant director of plant and operations.....	3	51,115	3	54,510	3	54,510
Assistant to the director of budget and finance.....	2	33,390	2	36,340	2	36,340
Assistant to the judicial officer.....	1	17,210	1	18,170	1	18,170
Assistant to pesticides coordinator.....			1	16,460	1	17,030
Chief of division, budget and finance.....	1	16,695	1	18,170	1	18,170
Director, management data service center.....	1	16,695	1	18,170	1	18,170
Hearing examiner.....	1	17,210				
Management analyst.....	2	32,875	3	51,660	3	51,660
Medical officer.....	1	19,270	1	20,450	1	20,450
Personnel management specialist.....	1	16,695	1	18,170	1	18,170
GS-14. \$14,170 to \$18,580:						
Administrative assistant.....	5	75,275	6	95,310	5	81,140
Administrative officer.....	1	15,865	1	17,110	1	17,110
Assistant director, management data service center.....	2	27,680	1	15,150	1	15,150
Assistant to director, management data service center.....			1	17,600	1	17,600
Assistant to the director of personnel.....	3	46,690	3	49,370	3	49,370
Budget analyst.....	1	14,515	1	15,150	1	15,150
Chief of division, budget and finance.....	3	48,495	3	51,330	3	51,330
Chief of division, management data service center.....	1	14,065	3	45,450	3	45,450
Chief of division, personnel.....	5	73,475	5	77,710	5	77,710
Chief of division, plant and operations.....	5	73,925	5	79,180	5	79,180
Management analyst.....	2	28,130	2	29,810	2	29,810
Personnel management specialist.....	1	14,065	1	14,170		
Program and budget examiner.....	3	43,545	3	45,450	3	45,450
Systems analyst.....	1	13,615	1	14,660	1	14,660
GS-13. \$12,075 to \$15,885:	37	462,315	45	584,535	52	686,280
GS-12. \$10,250 to \$13,445:	27	286,620	28	307,690	29	318,195
GS-11. \$8,650 to \$11,305:	29	260,970	33	306,985	35	324,285
GS-10. \$7,900 to \$10,330:	9	73,800	9	75,690	9	75,690
GS-9. \$7,220 to \$9,425:	41	315,140	43	340,105	47	368,985
GS-8. \$6,630 to \$8,610:	9	63,600	7	51,910	8	58,760
GS-7. \$6,050 to \$7,850:	55	358,700	62	417,700	62	417,900
GS-6. \$5,505 to \$7,170:	14	82,390	17	105,240	17	105,240
GS-5. \$5,000 to \$6,485:	86	453,900	90	505,605	93	520,605
GS-4. \$4,480 to \$5,830:	57	274,835	60	303,180	65	325,730
GS-3. \$4,005 to \$5,220:	45	198,220	53	238,995	53	238,995
GS-2. \$3,680 to \$4,805:	26	101,575	33	132,065	33	132,065
GS-1. \$3,385 to \$4,420:	7	26,495	8	30,875	8	30,875
Ungraded positions at hourly rates equivalent to less than \$14,170.....	105	584,036	113	625,304	113	625,304
Total permanent.....	630		689		712	
Pay above stated annual rates.....	4,938,321		5,698,704		5,907,639	
Lapses.....	-40.9	40,585	-34.2	21,622	-30.4	22,879
Net savings due to lower pay scales for part of year.....		-303,789		-310,539		-281,234
Add portion of salaries shown in other position schedules paid from this account.....		-78,913		-3,552		
			1.0		1.0	
			13,985		13,985	
Net permanent (average number, net salary).....	589.1		655.8		682.6	
Positions other than permanent:	4,596,204		5,420,220		5,663,269	
Temporary employment.....	28,248		8,000		8,000	
Intermittent employment.....	72,214		140,994		209,462	
Special personal service payments: Payments to other agencies for reimbursable details.....	2,091		748			
Add excess of annual leave earned over leave taken.....	116,384					
Other personnel compensation:						
Overtime and holiday pay.....	196,229		125,500		125,500	
Nightwork differential.....	2,939		2,500		2,500	
Total personnel compensation.....	5,014,309		5,697,962		6,008,731	



ANNEXED BUDGETS

DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

MILK MARKET ORDERS ASSESSMENT FUND

Program and Financing (in thousands of dollars) ¹

	1964 actual	1965 estimate	1966 estimate
Program by activities:			
1. Administration.....	10,778	11,250	11,350
2. Marketing service.....	1,957	2,000	1,700
10 Total obligations.....	12,735	13,250	13,050
Financing:			
14 Receipts and reimbursements from non-Federal sources:			
Administration: Revenues.....	-11,055	-11,100	-11,200
Marketing service: Revenues.....	-2,003	-1,975	-1,700
Nonoperating: Interest revenue.....	-191	-175	-150
21.98 Unobligated balance available, start of year.....	-7,053	-7,567	-7,567
24.98 Unobligated balance available, end of year.....	7,567	7,567	7,567
New obligational authority.....			
Relation of obligations to expenditures:			
10 Total obligations.....	12,735	13,250	13,050
70 Receipts and other offsets (items 11-17).....	-13,249	-13,250	-13,050
71 Obligations affecting expenditures.....	-514		
72.98 Obligated balance, start of year.....	913	1,020	1,009
74.98 Obligated balance, end of year.....	-1,020	-1,009	-1,009
90 Expenditures (not included under trust fund expenditures).....	-621	11	
Cash transactions:			
93 Gross expenditures.....	12,752	13,239	13,050
94 Applicable receipts.....	-13,373	-13,228	-13,050

¹ Administrative fund totals are comprised of 82 separate independent order accounts. Marketing service fund totals are comprised of 74 separate independent order accounts.

The Secretary of Agriculture is authorized by the Agricultural Marketing Agreement Act of 1937, as amended—under certain conditions—to issue Federal milk marketing orders establishing minimum prices which handlers are required to pay for milk purchased from producers.

Market administrators are responsible for carrying out locally the terms of specific marketing orders. Their operating expenses, partly financed by assessments on regulated handlers and partly by fees collected from producers, are reported in these schedules. These funds are collected

locally, deposited in local banks and disbursed directly by the market administrator.

Each milk order is administered locally by a market administrator who is appointed by the Secretary. There were 39 milk market administrators serving the 82 milk market orders as of July 1, 1964.

Each month each local office computes and announces class and uniform blend prices, and associated butterfat differentials. Handlers' records and facilities are examined to verify their reports and payments to producers, and weights and tests of producers milk are verified.

The expenses of each local office are met from an administrative fund and a marketing service fund which are prescribed in each order. The administrative fund is derived from prorated handler assessments. The marketing service fund of the individual order provides for the expense of disseminating market information to producers who are not members of a qualified cooperative. It also provides for the verification of the weights, sampling and testing of milk from these producers. The cost of these services is borne by such producers. The maximum rates for administrative assessment and for marketing services are set forth in each order. Adjustments below these rates are made from time to time upon recommendations by the market administrator and approval of the Agricultural Marketing Service. Rates are maintained at a level sufficient to provide reserves at about a 6-month operating level. Upon termination of any order the statute provides for distributing the proceeds from net assets pro rata to contributing handlers or producers.

Milk sold by regulated handlers supplied about 100 million persons—60% of the total nonfarm population—during calendar year 1963.

The following table gives an indication of the growing role of Federal orders on the marketing of milk over the past few years.

	Calendar year			
	1960	1961	1962	1963
Number of markets.....	80	81	83	82
Number of handlers.....	2,259	2,307	2,239	2,153
Number of producers.....	189,816	194,863	186,477	176,683
Population of market areas (millions).....	88.9	93.8	97.4	100.1
Producer deliveries (billion pounds).....	44.812	48.802	51.592	52.868
Producer deliveries used in Class I (billion pounds).....	28.758	29.859	31.558	32.968

The Agricultural Marketing Service has been delegated the responsibility for program development, technical assistance and overall program direction of the operations. Its costs of carrying out these responsibilities are financed, as authorized by 7 U.S.C. 1392b, from the funds appropriated by section 32 of the act of August 24, 1935 (7 U.S.C. 612c), and are reflected in part I of the appendix but not shown here.

DEPARTMENT OF AGRICULTURE—Continued**AGRICULTURAL MARKETING SERVICE—Continued****MILK MARKET ORDERS ASSESSMENT FUND—Continued****Revenue, Expense, and Retained Earnings (in thousands of dollars)**

	1964 actual	1965 estimate	1966 estimate
Administrative fund:			
Revenue.....	11,055	11,100	11,200
Expense.....	10,778	11,250	11,350
Net operating income or loss, administrative fund.....	277	-150	-150
Marketing service fund:			
Revenue.....	2,003	1,975	1,700
Expense.....	1,957	2,000	1,700
Net operating income or loss, marketing service fund.....	46	-25	
Nonoperating income: Interest revenue.....	191	175	150
Net income for the year.....	514		
Analysis of retained earnings:			
Retained earnings, start of year.....	7,053	7,567	7,567
Retained earnings, end of year.....	7,567	7,567	7,567

Financial Condition (in thousands of dollars)

	1963 actual	1964 actual	1965 estimate	1966 estimate
Assets:				
Cash in banks.....	5,619	6,162	6,076	6,076
U.S. securities (current redemption value).....	2,347	2,425	2,500	2,500
Accounts receivable, net.....	377	253	275	275
Total assets.....	8,343	8,840	8,851	8,851
Liabilities: Current.....	1,290	1,273	1,284	1,284
Equity: Retained earnings (reserved).....	7,053	7,567	7,567	7,567

Analysis of Government Equity (in thousands of dollars)

Government equity (unobligated balance)....	7,053	7,567	7,567	7,567
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Personnel Summary ¹

	1964 actual	1965 estimate	1966 estimate
Average number of all employees.....	1,066	1,072	1,092
Average salary, grades recommended by Agricultural Marketing Service.....	\$6,661	\$6,794	\$6,930

¹ Excludes New York-New Jersey order operated under Federal and State orders. Includes staffs for 81 separate orders.

TREASURY DEPARTMENT**OFFICE OF THE COMPTROLLER OF THE CURRENCY****ASSESSMENT FUNDS****Program and Financing (in thousands of dollars)**

		Calendar year		
		1963 actual	1964 estimate	1965 estimate
Program by activities:				
Operation costs, provided:				
Supervision of national banks.....		16,107	16,327	17,940
Issue and redemption of Federal Reserve currency.....		209	209	209
Total, operating costs, Federal.....		16,315	16,536	18,149
Change in selected resources ¹		4	-2	
10 Total obligations.....		16,320	16,535	18,149
Financing:				
Receipts and reimbursements from:				
Non-Federal sources:				
Assessments (net).....		-14,245	-13,891	-14,845
Trust examinations.....		-1,077	-1,000	-1,300
Merger and consolidation fees.....		-48	-48	-49
Investigations.....		-427	-700	-800
Reports sold.....		-466	-600	-700
Manuals and publications sold.....		-213	-200	-200
Other.....		-42	-45	-45
Reimbursement for issue and redemption of Federal currency.....		-210	-210	-210
Investment income.....		-353	-400	-500
21.98 Unobligated balance available, start of year.....		-2,475	-3,237	-3,797
24.98 Unobligated balance available, end of year.....		3,237	3,797	4,297
New obligational authority.....				
Relation of obligations to expenditures:				
10 Total obligations.....		16,320	16,535	18,149
70 Receipts and other offsets (items 11-17).....		-17,081	-17,094	-18,649
71 Obligations affecting expenditures.....		-761	-560	-500
72 Obligated balance, start of year.....		1,606	1,549	1,650
74 Obligated balance, end of year.....		-1,549	-1,650	-1,750
90 Expenditures (not identified under trust fund expenditures).....		-705	-660	-600
Cash transactions:				
93 Gross expenditures.....		16,376	16,434	18,049
94 Applicable receipts.....		-17,081	-17,094	-18,649

¹ Balances of selected resources are identified on the statement of financial condition.

The Office of the Comptroller of the Currency was created by act of Congress approved February 25, 1863 (12 Stat. 665), as an integral part of the national banking system. The Office finances its operations primarily by assessments from national banks.

